

Britain Taking Advantage Of Lull To Paste Continent

(By "Reuter's" Air Correspondent)

LONDON, July 2.—The R.A.F. daylight operations over Northern France and occasionally over Germany are being pursued with the utmost energy. Full advantage is being taken of Germany's pre-occupation in Russia.

Reds Warmed By American Sympathy

MOSCOW, July 2 (Reuter).—M. L. Lomovskiy, of the Soviet Foreign Office, announced at a press conference to-day that the Soviet had expressed satisfaction and thanks to the United States for President Roosevelt's, Mr. Sumner Welles' and Colonel Frank Knox's pronouncements of the fight against German domination.

Not Alone

The Soviet worker now feels that he is not alone and that there is no general assault on his country but that the Finnish and Rumanian attacks are merely extensions of the German aggression.

Drug Market In Egypt & Syria

CAIRO, July 2 (Reuter).—Increasingly large quantities of hashish and opium are entering Egypt as the result of the war, according to the annual report of Russel Pasha (Sir Thomas Wentworth Russell), Director of the Egyptian Central Narcotics Intelligence Bureau.

Russel Pasha declared that conditions in Syria threaten a reversion of that country to its former role of being the principal hashish-producing country in the east and the high-road of the opium traffic to Egypt.

The report shows that traffic in heroin, which is seaborne, has been practically stopped while hashish and opium, which come from and through Syria, have increased.

This general assurance was given me in London to-day.

Their tactical purpose cannot be divulged but it can be assumed that they are immediately associated with the growing R.A.F. night offensive. These attacks appear to be designed to strike at the chief source of the Nazi war potential in Western and North-western Germany and the feeders to her western armies. The aim evidently is to reconcile the R.A.F.'s long-term policy of heavy bombing with any short-range policy requiring extra punch dictated by the big chance given Britain by Hitler's Russian adventure.

Few Long-Range Fighters

The lack of sufficiency of long-range fighter escort for the work across the Channel must of necessity at present restrict the depth of the R.A.F. operations in force by daylight as do the short summer nights force a shortening of the long arm of British air power by night. But some encouraging facts have emerged from the sweeps hitherto made and incidentally begun in earnest on the eve of Hitler's attack on Russia.

The improved Spitfires have proved themselves superior in performance to Germany's latest Messerschmitt fighters. The Me-109F2 was specially designed to give maximum performance at high altitudes. Range and to some extent armament, were sacrificed to this aim, no doubt in the hope that tactical advantage of height would be decisive.

This has not been the case and the new Messerschmitt has been dragged down from its new ceiling of over 36,000 feet and the Spitfires have made short work of it.

Crack Pilots In East

Germany left behind a numerically strong fighter force in northwest Europe when she moved east, but there is no doubt that the personnel are mainly "colts," and that the crack pilots are leading the Russian campaign.

Britain's bombers are chiefly used so far in relatively small force with a very strong fighter escort, but sometimes on their own are acquiring themselves with "great dash and noble success" against Nazi fighters with whom they have been engaged in several stern combats.

It is revealed that Britain's heaviest and newest bombers have been used in daylight attacks on targets in northwest Germany's coastline.

Results of Hammering

One concrete result of the R.A.F.'s constant hammering by night of the German shipyards and U-boat manufacturing towns has been an "appreciable reduction" in the scale of the Nazi effort in the Battle of the Atlantic recently, and while the world may be disappointed if it expects the R.A.F. to alter the immediate course of the dynamic land struggle being waged in Eastern Europe, its work will be regarded as well repaid.

STOCK EXCHANGE Some Profit-Taking

LONDON, July 2 (Reuter).—The Stock Exchange to-day was quiet. There was a fairly general but slight down-drift, influenced by profit-taking. There was a reverse trend towards the close when prices were again steadier.

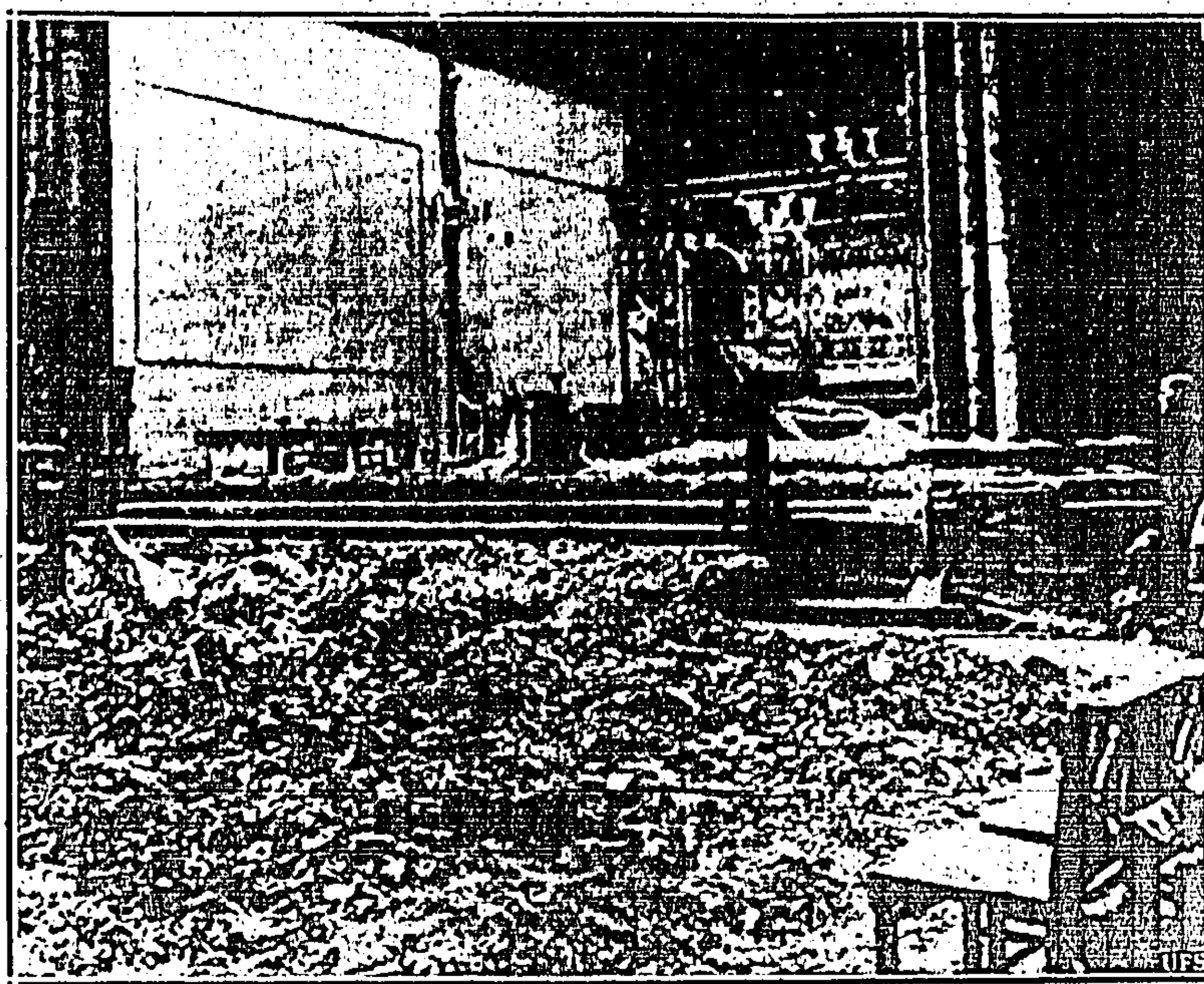
Gold-edged holdings remain about unchanged but Indian stocks were slightly lower. Home-rails were easier; Industrials were a shade lower on balance; oils were dull; and tin and rubber stocks were firmer.

Japanese bonds met profit-taking on the cryptic Tokyo statement, causing caution.

Kaffirs followed the general trend. Wall Street was subdued.

HANGING FROM TREE

The body of a Chinese, as yet unidentified, was found hanging from a tree in Peace Avenue, Hongkong, yesterday morning, and attracted much attention. The Police quickly removed the gruesome spectacle. The man was about 55 years old. No suspicious circumstances are attached to the incident.



HITLERMEN DID IT—Famed Westminster Abbey, London, where Britain has buried her illustrious dead and where every British King except Edward V and Edward VIII has been crowned, presents this scene after Hitlermen bombed it. High altar is not damaged.

Canadian Labour Has Support of Government

OTTAWA, July 2 (Reuter).—Nearly 3,000,000 workers in Canada should be paid a cost of living bonus—this statement of the Canadian Government's policy was made by the Labour Minister, Mr. McLaughlin, after the Labour Mediation Board dealing with a dispute between railway companies and their employees had recommended a cost of living bonus in some but not all wage levels.

Mr. McLaughlin said that the Board's finding was rejected because all the workers represented before the Board should be treated alike.

While not mandatory on the employers, Mr. McLaughlin expressed confidence that the Government recommendation would be followed.

The bonus amounts to 25 cents a week for each rise of one per cent in the cost of living above August, 1939, level.

The present level shows a rise of 7.7 per cent.

No increases in the basic wages above the rates of 1920 to 1940 are intended.

Nightsoil Disposed Of Despite Typhoon

That arrangements for the collection and disposal of nightsoil during the typhoon was carried out without a hitch was disclosed by Hon. Mr. W. J. Carrile at the Urban Council yesterday. He said collections were made at the height of the storm, and as junks could not go alongside, the nightsoil was taken to the 20 Government flush latrines and thoroughly flushed away. This scheme had been prepared for just such an emergency.

The following by-law for slaughterhouses was approved. No person shall cause the introduction into the tissues of the carcass of any animal or bird usually used as food for man, by injection or any other means, of water or any other fluid, or air or any other gas or gaseous mixture.

The Council also passed the following amendment to by-laws in the "Hawker's Ordinance"—That the goods together with any tray, basket, box, tub, pan, pail, tin or other receptacle in which any unlicensed hawk or food carrier or distributor has wares, may be seized by any official of the Police, Medical or Sanitary Department, and may be forfeited by order in writing under the hand of the Chairman of the Urban Council if and when he may think fit.

Confirmation of the arrival of the brigantine Our Lady of Peace in Macao was received from the Portuguese Colony yesterday. The craft arrived there at 11.30 a.m. on Monday.

Piracy of British Steamer

Boarded by pirates from two launches while on the way down from Shanghai to Hongkong on Sunday, the British Steamer Fausang, belonging to the Indo-China Steam Navigation Company Limited, had her captain and one of the Russian guards removed by the pirates.

Somehow or other, the Chief Officer, Mr. A. L. Jones, succeeded in weighing anchor, and got safely away, although hotly pursued by the pirates for some distance before the chase was given up. He then sheltered for a while, before proceeding to Hongkong.

This report was confirmed by an authoritative source yesterday, which stated that the Master of the ship, Captain R. E. Holden, and the Russian guard, have since been found and rescued by the Japanese naval authorities. No further details are available.

Captain Holden was formerly Chief Officer of the Hosang.

The Fausang is a vessel of 2,250 tons, and was built in 1921 by Messrs Dunlop, Bremner and Co. Ltd., Glasgow. She is 285 feet long, and 42½ feet in breadth.

Painters Get More

Twenty Per Cent Increase

It is announced by the Labour Office that an agreement was signed last Saturday in the presence of the Labour Officer, between the Choi Chi Tong Painters' Guild and the principal painting contractors, by which an increase of 20 per cent. will be granted to all painters employed by these principal contractors with effect from Sunday, June 20.

This increase is divided between an increase in basic wage rates and an increase in food allowance.

Visitor To Colony

Mr. J. de la Rama, prominent San Francisco importer and exporter, has arrived in the Colony on a short business trip from Manila. He expects to return to Manila by Clipper, before leaving for the United States on the President Madison, if accommodation is available.

Warning On Mines By Navy

The Naval Authorities yesterday gave notice that during typhoon weather moored mines are liable to break adrift. Whilst adrift these mines are safe, but if they drift ashore among rocks and are pounded on the coast, they are liable to explode.

Any person seeing a mine ashore (or drifting near the shore) should at once telephone the nearest Police Station, giving the locality and the exact position of the mine, with reference to a house, pier or beach.

A Naval party will then be sent to render the mine harmless, but until that has been done all persons should keep clear of an area within a quarter of a mile of the mine, any dwellings within this area being evacuated temporarily.

BARONET NOT GUILTY In Kenya Trial

Nairobi, July 2. The longest trial in Kenya's history ended to-day when Sir Delves Broughton, Bart., was found not guilty of the murder of the Earl of Erroll.

Applause greeted the verdict which was given late last night after the jury had been in retirement for three and a half hours.

Erroll was found shot dead in his car in the Kenya jungle in January. Sensational evidence produced at the trial of marital complications in the lives of Broughton and Erroll and frequently mentioned Lady Broughton. Erroll was Hereditary Lord High Constable of Scotland.—Reuter.

The Hon. Mr. J. P. Pennefather-Evans, Commissioner of Police, has left the Colony on a short visit to Chungking.



ECONOMIZE—BUY the LARGE TUBE



KOLYNOS
the economical
DENTAL CREAM

CHILDREN WANT this EXTRA PROTECTION

Growing children are in constant danger from germs in the mouth that attack the teeth and cause decay. You can guard against this happening! Have your children brush their teeth regularly with Kolynos, the scientific, germicidal dentifrice that not only cleans teeth quickly and safely but destroys the dangerous germs. It is easy to get children to brush their teeth with Kolynos because they like its cool, refreshing taste.



SLEEPING SUITS

Knee length — Short sleeves

Made of fine Zephyr cloth in plain blue, fawn, grey and green. The "Man-cased" waist-band adds to their comfort.

\$12.50

less 10% cash discount

MACKINTOSH'S LTD.

MEN'S WEAR
SPECIALISTS

Swan, Culbertson & Fritz

Investment Bankers and Brokers

Members of New York Cotton Exchange

Chicago Board of Trade

Manila Stock Exchange

Winnipeg Grain Exchange

Commodity Exchange, Inc., New York

Canadian Commodity Exchange, Inc., Montreal

New York Coffee and Sugar Exchange

Hongkong Sharebrokers Association

Shanghai Stock Exchange

SHANGHAI, HONGKONG, MANILA and BUENOS AIRES
Cable Address: SWANSTOCK

A TIMELY REMINDER



THE CLEANING SYSTEM THAT WILL PREPARE
YOUR WINTER WARDROBE AND HOUSE-
HOLD FURNISHINGS FOR PERFECT
SUMMER STORAGE

SEND ALL YOUR CARPETS AND RUGS
FOR SHAMPOOING BEFORE STORAGE

THE STEAM LAUNDRY CO.

Head Office & Works 57032

Gloucester Bldg., 2nd Flr., Tel. 28938 Hong Kong Depot,
Kowloon Depot, Tel. 58945 Peak Depot, Tel. 20325



HONG KONG HOTEL

MEET AND
EAT HERE

MAC'S CAFE

The Business Man's Favourite Rendezvous
TABLE D'HOTE TIFINS \$1.75
GRILL SPECIALITIES A LA CARTE

SNACK COUNTER & BAR
Quick Snacks and Refreshments

ON SALE AT MAC'S COUNTER
Finest Assortment of Home-Made Pastries
& Cakes. Chocolates in fancy boxes.
ORDERS TAKEN FOR WEDDING CAKES
AND CAKES FOR EVERY OCCASION

HONG KONG HOTEL

THE HONG KONG & SHANGHAI HOTELS, LTD.

LAST DAY of GORDON'S SHOE SALE

SATURDAY
JULY 5th.

FURTHER HEAVY
REDUCTIONS

"WICK'S" BOWLS NOTES

A Week-end Of Surprise Results

Splendid Victory For K.C.C. Over Indians

Set-back For Kowloon Tong

TWO "POSSIBLES," a seven, Craigengower's smashing victory over Civil Service C.C. and Kowloon Cricket Club's clean-sweep success over the Indians at Cox's Road were the chief features of last Saturday's League programme.

Though the champions, *Recreio "A"*, also won their match against Kowloon Dockers at King's Park, they conceded a point, and, as a result, their Happy Valley rivals, Craigengower, are only four points behind with two matches in hand.

The Indians, who are also in the running for the championship, have seriously jeopardised their prospects by their defeat at the hands of the lowly-placed K.C.C. team. The result of this match was the biggest surprise of the day.

In beating the Civil Servants, Craigengower C.C. on their own green, set up the highest aggregate score for the season. Bradbury's rink scored 30, Omar's 32 and Roselle's 35—a total of 103.

While the home team could do little wrong, the Civil Servants could do little right and did not at any time give the impression that they had succeeded in settling down. The visiting skips had a bad time of it throughout and but for good work by J. F. McGowan and M. N. Rakusen, the Craigengower score might have been even higher.

Craigengower's strong position may be attributed to their ability to score clean-sweep successes against the weaker sides. After losing their first game against *Recreio "A"*, they scored one point—they have beaten *Recreio "B"*, Kowloon C.C., Kowloon Dockers and Civil Service by 5-0 and in the game against Kowloon B.G.C. "A" they won by 4-1.

KOWLOON C.C. improved their standing considerably as the result of their success over the Indians, who once again revealed their weakness when playing away from their own green.

It was certainly no "fluke" on the part of K.C.C. for whom their leads, A. E. P. Guest, N. D. Lloyd and A. E. Perry, laid the foundation for their three-rink victory. All three played consistently well.

Of the skips, E. C. Fincher was probably the best, drawing and playing sound-on shots with equal facility. T. A. Madar, who beat A. R. Dallas by six shots, was up against a man who had no luck at all with his drives.

N. J. Bebbington, taking charge of a rink for the first time this season, had a happy combination playing with him, and proved once again that harmony in a rink can often overcome many handicaps.

FOR the first time in 15 years, the *Recreio "B"* team took the field last week without Carlos Silva, who has been advised to rest for the remainder of the season owing to a tumour in the ribs.

Even without him, the champions won their match comfortably against Kowloon Dockers, though F. X. M. da Silva's rink went down to R. Morrison's four by 14-24.

R. F. Luc, probably still smarting from his heavy defeat by A. R. Dallas two weeks before, pled it on T. Coleman to the tune of 40 shots to eight—to set a new record for a rink win.

J. McKelvie was the hero of the match between Kowloon B.G.C. "A" and *Recreio "B"* on the latter's green. He and his men, R. P. Phillips, A. Hyde-Lay and H. E. Drew, carried the side through by inflicting a 25-4 defeat on F. A. Machado, E. L. Barros, F. A. Noronha and L. J. Silva.

And though Adam Holland and A. J. Hall both lost, McKelvie's winning margin was enough to put the Bowling Green men on the successful side of the scales.

IN the Second Division, Kowloon Tong's winning streak was stopped by Craigengower, and the surprising thing was

S.C.A.A. Draw 4-4

The South China Athletic Association touring Football team shared eight goals with the Negri Sembilan State eleven yesterday at Seremban.

Lee Wai-tong (3) and Chan Tak-fai scored for South China.

For Dis Is Dis And Dat Is DatSo Play Ball

Probably the most appropriate reply ever given a ballplayer is one with which Bill Guthrie acquitted an argument. Bill wasn't the most polished linguist in the world, but he had a few equals in baseball for expressive language.

When the batter snipped at him that he was all wrong in considering the previous pitch a strike, Guthrie quickly whirled on him and in his most sarcastic manner declared: "Listen fella. When I call 'em they stay called. They're either dis or dat. And dis is dis. Play ball!"

that the leaders were bent on their own green.

Another feature of the match was the heavy defeat sustained by the hitherto unbeaten A. J. Kew, who went down by no fewer than 18 shots (9-28) to E. J. Todd, M. A. Baptista, W. Ward and N. P. Karanjali.

Though A. Spary's rink had the better of W. K. Way's by two shots, J. L. Stephens' four were beaten by Tommy Lock's by five shots, leaving Kowloon Tong with only one point.

BOTH the "possibles" of the day were registered in this division. E. Kern's Kowloon F.C. rink (W. Naef, A. L. Eastman and C. Dowman) started off like a house on fire with an eight in the very first head against R. G. Grindley, A. H. Perry, G. B. Foster and C. Gowland, of the Prison Officers, and finished up seven shots to the good.

The other was to the credit of G. E. Costello's rink, which set up a scoring burst of 2, 4, 8, 2, 5 (21) which will be hard to equal against the Kowloon C.C. rink of S. A. Gray, T. Leigh, E. C. Curtis and R. S. Mendonsa.

No fewer than 59 shots were registered in this rink game, Costello's men winning by 38-21. So many shots in one rink game have not been scored for a long time.

THE INDIANS did well to take five points against Hongkong C.C. in the Third Division at Sookunpoo and are now only one point behind Kowloon B.G.C., the League leaders.

Craigengower are a point and half behind the Indians.

LAST Sunday many rink games were started but in every case rain terminated play after a few heads. For the information of those who had commenced their matches, the rules say that these must be continued from where they left off.



Lawn Bowls

E. C. FINCHER LOSES CLOSE GAME TO A. HYDE-LAY

Rinks Championship

AFTER ONE of the best lawn bowls matches to date in the Rinks Championship, A. Hyde-Lay (R. P. Phillips, P. A. Peckham and J. E. Henson) beat E. C. Fincher (S. A. Gray, E. Curtis, A. W. Smith) 19-16 at the Kowloon Football Club yesterday.

At Happy Valley, the holders, R. Basa, A. E. Coates, J. S. Landolt and C. S. Rosset beat J. Forrest, J. Orem, J. Fender and E. G. Post 26-10, at the Hongkong F.C., while in the Pairs Tournament, W. Williamson and C. S. M. Thom beat M. A. Baptista and G. S. Ladd 30-16 at the C.S.C.C.

Even Struggle

HYDE-LAY and E. C. Fincher had a close struggle that was not decided until the last head had been played. The Bowling Green four went off to a good start and had chalked up seven shots before the K.C.C. rink registered a 4 to open their account.

From then on it was a pendulum struggle with all eight bowlers giving their best. They drew level at 11-all, but it was not until the 18th end that Fincher's rink went into the lead for the first time, scoring a single to lead 15-14.

The K.C.C. players lay the shot when the skips went to bowl in the 18th, but Hyde-Lay with a brilliant wood took out the opposing counter to even matters at 15-all.

Then came Hyde-Lay's four—the result of consistent drawing—and in reply Fincher could only manage a single to lose 10-19.

Holders Through

THE HOLDERS had little trouble from the Police four. They went off in a scoring burst that placed them 10 shots ahead before their opponents scored a single. From then to the 21st it was all in favour of the Craigengower four again, and the score at the end of that head was 21-1.

Scoring was:

Roselle: 1, 1, 2, 4, 1, 1, 0, 1, 1, 3, 3.
Post: 0, 0, 0, 0, 0, 1, 0, 0, 0, 0.

1, 1, 1, 0, 1, 0, 1, 0, 5, 0=20

0, 0, 0, 3, 0, 1, 0, 1, 0, 4=10

Pairs Match

SCORING a six and two five's, Williamson and Thom beat Baptista and Ladd 30-16 in the only Pairs match of the day.

The Craigengower pair fell away badly from the 14th end onwards, and over six of the last seven heads gave away 18 shots.

The Kowloon Dock pair were nearly always in the lead, first at 6-2 and then 8-0 on the 8th. Ladd scored a five on the 9th to take the lead 11-8, but the opposing couple came back with their six.

With three singles, however, the Craigengower players drew up to 17-14, but could do little thereafter.

Scores were:

Thom: 0, 1, 0, 5, 0, 0, 2, 0, 0, 6, 3.
Ladd: 1, 0, 1, 0, 2, 1, 0, 1, 5, 0, 0.

0, 0, 0, 5, 2, 1, 3, 1, 1, 0=20

1, 1, 1, 0, 0, 0, 0, 0, 0, 2=10

Mexican Wins N. B. A. Featherweight Title

LOS ANGELES, July 2 (Reuter).—Ritchie Lewis, Mexican boxer resident in Los Angeles, today won the world featherweight championship as recognised by the National Boxing Association today by knocking out Pete Restore in the fifth round. Restore had held the title for 12 months.

League bowls action on the Craigengower green on Saturday last. The First Division team in action at the far end of the green, beating Civil Servants 5-0, while at this end members of the Third team, who were not engaged, were indulging in practice.—Ming Yuen

King Scores "Double" At Ascot Races

Enthusiastic Demonstrations

NEWMARKET, July 2 (Reuter).—Although notable features like the fashion parade and the Royal Drive down the course were missing, the substitute racing here retained a Royal aspect since the King gained a tremendously popular "double" today.

Golf Ball Manufacture

Not As Simple As People Think

To the average player the ordinary golf ball probably appears to be one of the most uncomplicated pieces of sporting equipment, but actually more care is put into its manufacture than in many a larger, more spectacular product.

According to an announcement by United States Rubber Company, there are 131 operations in the making of its True Blue "U.S. Royal."

Starting at the centre, the core apparently is only a small capsule of oil imbedded in a spherical cushion of rubber, but 17 steps are required to make it.

Intricate Affair

Around this is wound rubber thread, that looks like an ordinary rubber band, but 66 operations are needed to produce. Believe it or not, the company has taken 120 pages of a good-sized book just to lay down specifications for making golf ball thread.

Add 15 operations on the cover, and 33 more in the assembling of the centre, thread and cover, and you have 131 in all.

The need for such meticulous manufacture can be understood when one stops to think about the punishment a golf ball must take. It demands more from rubber than any other one of the thousands of products made of this material.

Preparing For Next Badminton Season

University Activity

Despite the heat and dampness, several co-eds in Hongkong University are being coached at Badminton by E. L. Yong, the "Varsity's" energetic and capable captain.

The women, who comprise Misses Li Wai-kun, Joyce Kok, Peggy Leong, Cheng Koo, Lillian Yip, Beatrice Greaves, May Chow, Phyllis Hui, Fatima Mohideen, Peggy Ma, Daphne Ho, Jean Woo and Rosalind Cheng, have made splendid progress to date, and the University women's teams should constitute a real menace in next season's League events.

Miss Cheng Koo, the present University champion and Miss Li Wai-kun, who in partnership with Miss L. Chow won the "Double" title, have been awarded the Badminton colours.

The offer by the University's men, who won the League and most of the championships, to most of private clubs, has not been taken up and it is very much looks as if the offer will be withdrawn. It will be recalled that following applications, the University Union consented to appoint several of their outstanding players as coaches to clubs during the off season.

Expectations that the King has a great chance of winning the Derby and Oaks next year were strengthened when his horse Big Game won the Coventry Stakes, and Sun Chariot won the Queen Mary Stakes for fillies, thereby virtually establishing themselves as the outstanding two-year-olds.

Not since Lancelotti won at Ascot for King George V have there been such enthusiastic demonstrations. Cheering and hand-clapping began when the King's colt was 1½ furlongs from home. Sun Chariot, daughter of the former Derby winner Hyperion, got home in a thrilling finish to beat Lord Glanville's Perfect Peace by a head to provide an exciting climax to a hard-fought race.

There was no cheering until the number went into the frame, owing to the uncertainty of the result.

It was the first time for many years that the Royal colours were twice successful in the same afternoon. It was the King's eighth winner this season.

HARRY WILGOS, who rode both winners, also rode Sir Hugh Cunliffe Owen's Finis to victory in the Gold Cup over 2½ miles, beating Miss Dorothy Paget Olden by a head, with the Aga Khan's Winter Haller only a neck behind.

"Coupon" Meeting

It was the first "coupon" meeting judged by the sober atmosphere of the Meeting no one could have imagined it to be Gold Cup Day.

Fewer women were seen and it was obvious that none of them were willing to waste precious coupons on a special Ascot outfit which would have cost 16 coupons.

There were a few topers and morning coats, and motorists evidently had heeded the warning against petrol wastage for there were fewer than 500 cars in the car park available for 2,000.

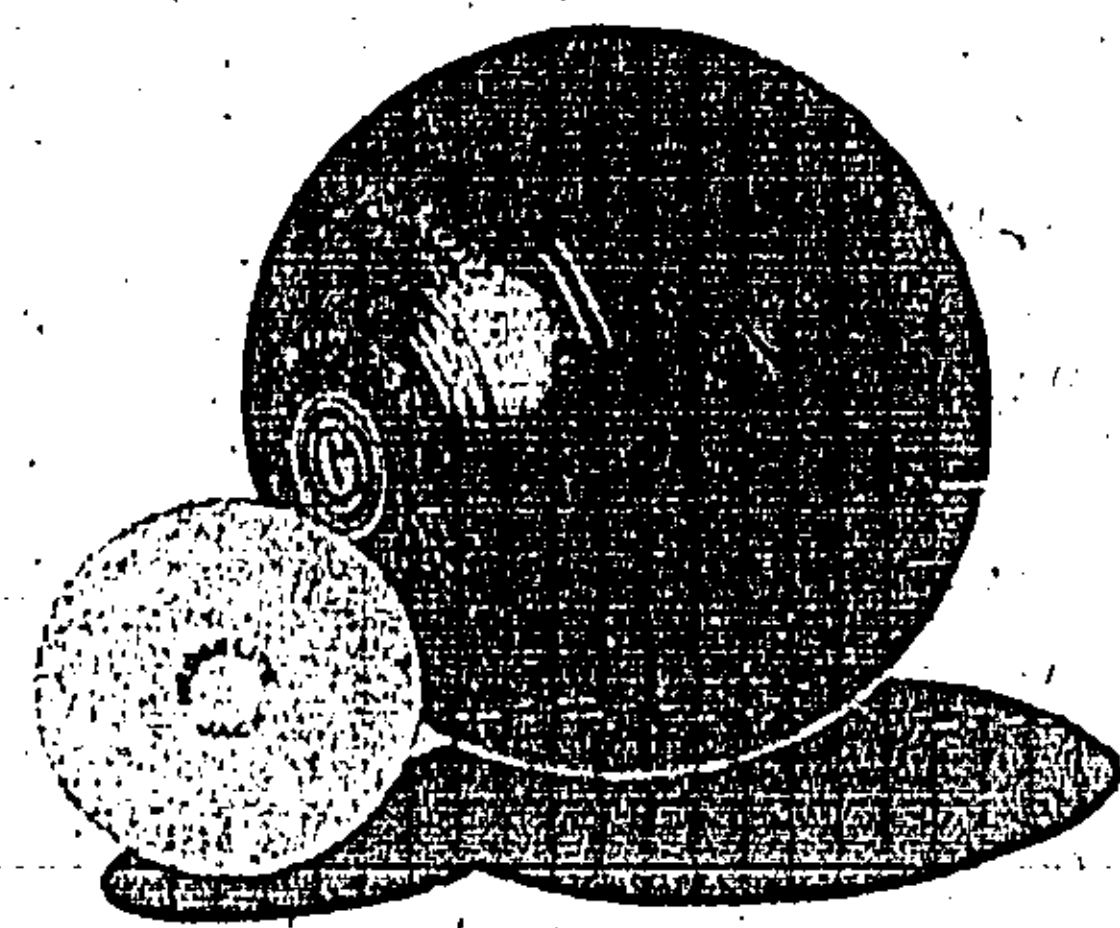
Summer Foursomes At Happy Valley

The following were the results of second and third round matches in Royal Hongkong Golf Club's First Summer Foursomes Competition at Happy Valley:

Second Round.—Willerton and Price received a walk-over from Bowker and Greaves five and four; MacFayden and Muir beat C. E. Moore and Lee one and three; Powell and Butler beat Forrest and Stoker five and three; Mundy and Matthews two and one; Dennis and Young and G. M. Park; H. Smith and Greenwood received a walk-over from W. A. Stewart and C. Low; T. B. Low and R. K. Collins beat A. H. Penn and J. A. Collins four and two.

Third Round.—Willerton and Price v. Barry and Ahern to play; Powell and Butler beat MacFayden and Muir four and three; Dennis and Muir beat Mundy and Stoker; Low and Collins beat Smith and Greenwood at the 10th.

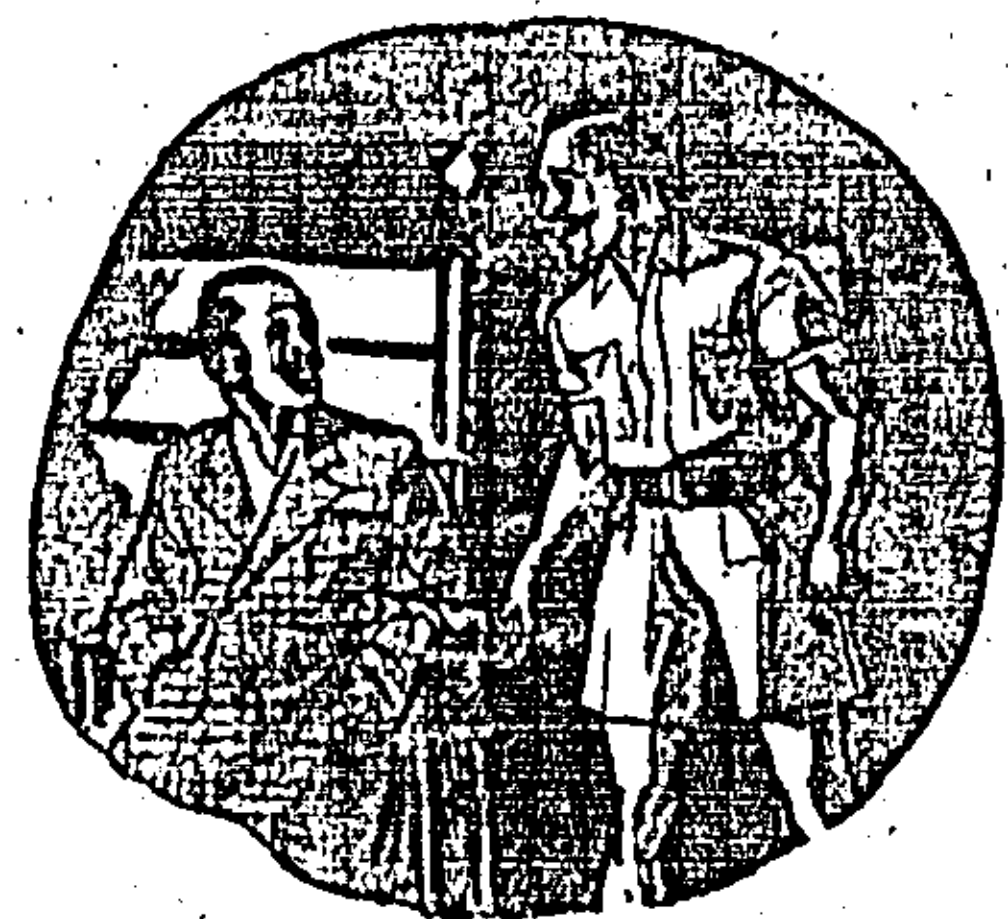
Ed. 28151.
"Kenselite"
UNI-DISC



The
'Absolute' in Bowl Production
AND
CHOICE
OF THE
CHAMPIONS
INSPECTION CORDIALLY INVITED
SPORTS DEPT.

LANE CRAWFORD'S

The House of Quality & Service



STOUT FELLER

"Where are you going with that axe?"

"I'm going to do a little deforestation, Bertie. There's a tree outside I've taken a dislike to. I shall fell it with one fell swoop."

"Rather early in the morning for tree felling, isn't it?"

"The early woodcutter gets the first tree, you know. Besides, it's an ugly tree. There is something offensive about that tree. Come to think of it, it rather reminds me of you, Bertie."

"Well—I must confess I didn't expect to see you chopping trees this morning and—smoking a

whacking big black cheroot. Not after last night..."

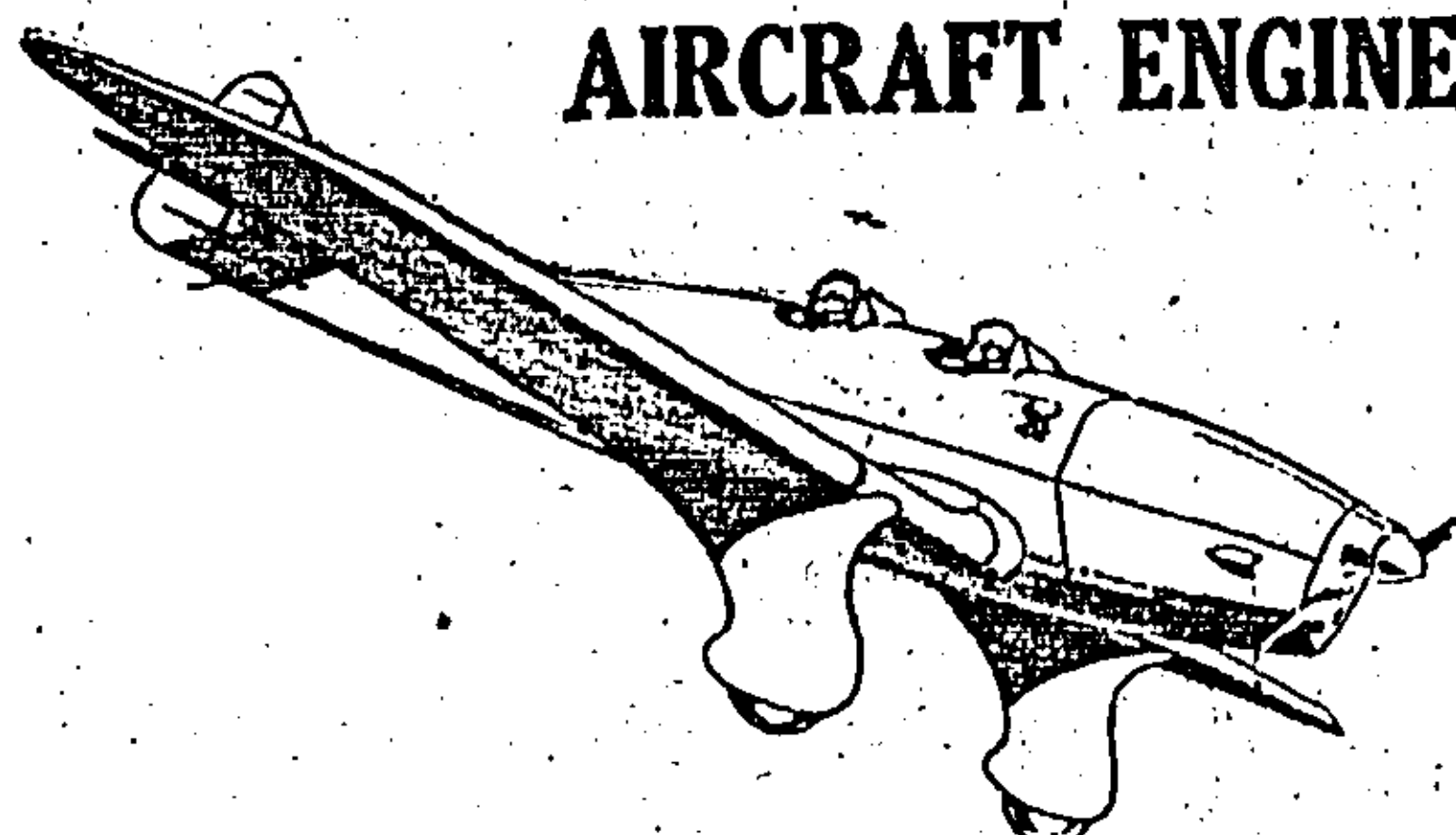
"I don't like the way you say 'not after last night.' I detect a certain enmity in the tone—a certain undercurrent of bitterness. You ought to be overjoyed to see me absolutely bristling with joy-de-vivre."

"I merely marvel at your powers of recovery."

"You needn't, Bertie. It's all due to Rose's Lime Juice, you know. Prevents mornings after the night before. Just the thing before you go to bed. And now, Bertie, with your permission I'll step out and deal our unsuspecting arboreal friend a couple of shrewd cracks with my little axe."

LEARN to FLY

or train to be an
AIRCRAFT ENGINEER



Flying Instruction can start at any time

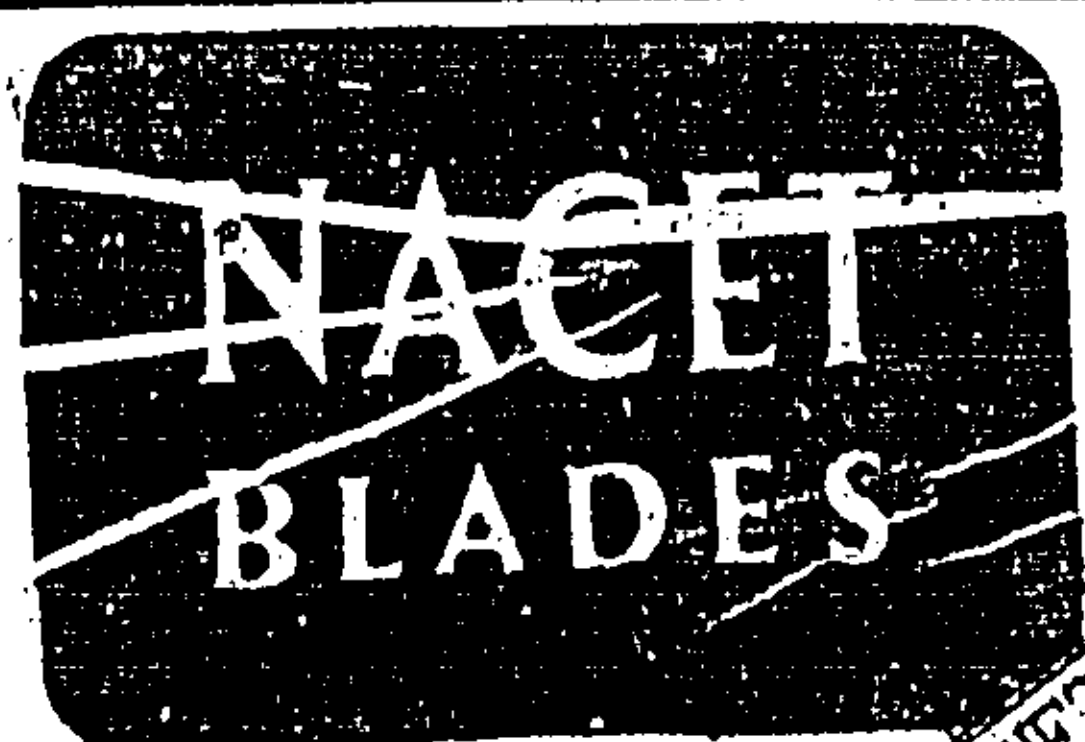
For Prospectus apply to:—

FAR EAST FLYING TRAINING SCHOOL LTD.

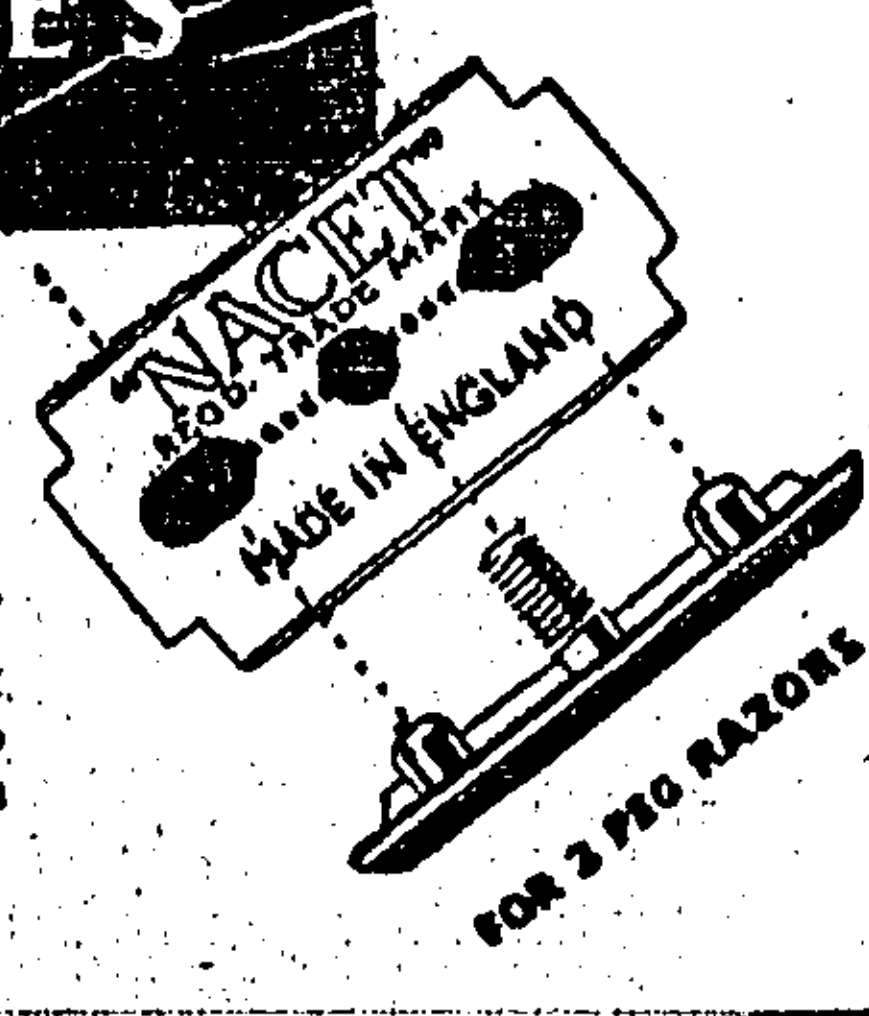
KAI TAK AIRPORT
Phone 59282

Hongkong Benevolent Society
Room—11, Ice House Street

The Society's Room will be open on
MONDAYS & THURSDAYS
from 10 A.M. to noon

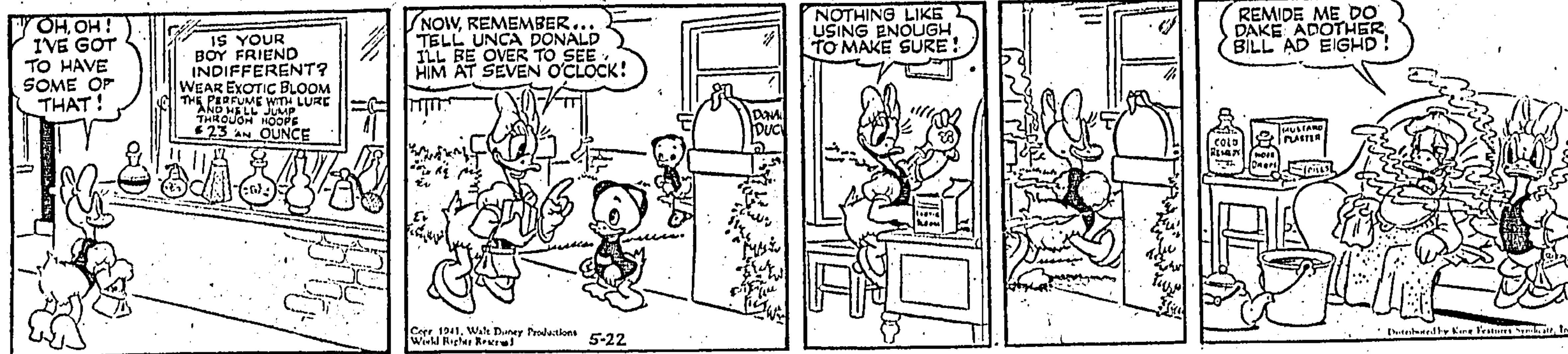


Satisfactory shaving demands speed, comfort and a smooth result. Nacet Blades give you all three—at an amazingly low price. You will be surprised, too, at the number of shaves you will get from each blade.



DONALD DUCK

By Walt Disney



Try
"PRIMULA"
NORWEGIAN
CREAM CHEESE
DELICACIES

3 (2 oz.) pkts. \$1.40
1 (2 oz.) pkt.50

IN THE FOLLOWING FLAVOURS
TOMATO - CELERY - CURRY - HAM -
CARAWAY - also PLAIN

YOU WILL BE DELIGHTED WITH THEIR
PIQUANT FLAVOUR

LANE, CRAWFORD, LTD.

CONTRACT BRIDGE

How to Play AND How to Win
BY JOSEPHINE CULBERTSON

Every Trick Counts

PLAYING rubber bridge, it is usually quite satisfactory to defeat the opponents' contract 1000 points, and it is "rubbing it in" a bit to observe that you could have collected another trick. At duplicate bridge, however, a highly important factor enters the picture. Note today's deal:

Match-point duplicate
North dealer, vulnerable.
Neither side vulnerable.

♠ J 8 2
♥ 7 2
♦ K Q 10 6 3
♣ A Q 10 9

♠ A 10 8
♥ Q 10 8
♦ A 8 6 2
♣ 7 4

♠ 7 4
♥ K Q J 9 8 2
♦ 7 6
♣ J 10 4

The bidding:
North East South West
1♠ 2♠ 3♥ 3NT
Pass 4♥ 4♥ Dbl
Pass Pass Pass

North's opening bid, obviously, was a semi-psychic—perhaps the one type of bid for which there is no excuse. South did not know what was going on, but felt that with any sort of opening bid in North's hand four hearts should be a good sacrifice.

West opened the spade king and East, refusing to risk a possible singleton in declarer's hand, overtook with the ace in order to return his own singleton club. West won and obediently led back a club. East ruffed and cashed the king and ace of diamonds, carefully watching West's following suit cards. West, realizing that East must have four diamonds and declarer only two, was careful to avoid echoing. He did not want East to play a third round,

which would permit declarer to ruff and start leading trumps. East, guided properly, cashed the spade queen and followed with the ten-spot. Declarer attempted to interrupt the cross-ruff by putting in his heart jack. West, however, overruffed and led another club. East ruffed, and at this point had to make the really crucial play of the hand.

The defenders already had taken eight tricks. But, sizable as this penalty was, it would not compare favourably with the slam that East clearly saw would have been his for the taking. It was vital, therefore, to snare another trick and increase the penalty to 1,100 points, which would offset the 800 for the slam in spades. East had seen declarer follow to two spades, two diamonds, and three clubs, and his bid definitely marked him with a six rather than a five-card heart suit. Therefore there would be no possibility of collecting an additional diamond trick. On this sound analysis East did not waste time trying. Instead, he returned another spade. This proved declarer's undoing. To ruff with an honour would establish West's guarded ten; to ruff low would be to concede an overruff on the spot.

To-morrow's Hand
North dealer, vulnerable.
Neither side vulnerable.

♠ 5 4 2
♥ Q 7 3
♦ A K 8 2
♣ A 8 4

♠ Q J 9 8
♥ A J 6
♦ J 10 4
♣ Q J 3

♠ 7 6 3
♥ Q 10
♦ Q 9 7 6 5
♣ 10 0 7

♠ A K 10
♥ K 9 8 6 4 2
♦ —
♣ K 6 5 2

How should this hand be bid?

Crossword Puzzle

By LARS MORRIS

ACROSS

- More fitted
- Almost hyperbole
- Angry in rank
- Flowed
- Of 37 inches
- Photographic picture
- Run out
- Fish-eating bird
- Older person
- Use of coal
- Headed
- Twenty-four hours
- Author of "The Hare"
- Bole
- East Indian cereal
- Grasses
- Young salmon
- Cloudy water
- Cut off
- Reinforcing structure
- Mineral spring
- Metric measure
- Substituting liquid
- Hand lever's stick
- Ball of decimal
- Leaves out
- Land of Irish
- Is director of
- Asian all
- Wrong deed
- Permeated
- Mourful sound
- Chewing mammal
- Indian lodge
- Climbing mammal

DOWN

- Personal pronoun
- Non-conductor
- Engineering degree
- In solid opposition
- Group in center
- More mature
- Paths
- Female sheep
- Whirls
- Pertinent
- Note scale

ELIZABETH TIBBLES

is the author of this article, one of an occasional series entitled, "Women in Wartime."

IT was a short, official-looking printed postcard. It did not interest me much as it lay on the mat.

But then it's difficult to be very interested in anything when for three months your only son has been reported "Missing, Believed Killed," when the little desperate hope in the one word "Missing" is beginning to fade at last.

I picked it up, barely glancing at it.

Strange words caught my eye—STALAG XXA, Germany.

Then I read the message that has brought nothing but sorrow to hundreds of wives and mothers but which I had never even dared to hope for.

"He Is Well"

All it told me was that Ted was a prisoner of war, though someone in the busy offices of the International Red Cross had found time to add in his own handwriting the three words, "He is well."

How he came to be taken prisoner I shall not know until the war is over and won, for that is one of the things a prisoner does not write about, one of the many questions that cannot be answered for months, perhaps for years.

The hardest thing of all is that it is almost impossible to imagine the kind of life he is leading in Germany, and to write to him without mentioning the war—or even the weather until it's out of date.

He Is a Prisoner of War

You begin to have all sorts of weird suspicions. You read sinister meanings into the most innocent remarks.

Last autumn, for instance, I was convinced for a time that although he was obviously writing his own letters they were being dictated to him.

They just did not sound like Ted. He who had been making me a special allowance out of his army pay and who had always been such a thoughtful son, was writing for huge quantities of foodstuffs and cigarettes he knew I could not afford to buy.

He even asked for some of the things I knew he did not like.

Suspicions

One of my letters told him that we had moved to another address. I never thought of the fears and suspicions which that might put into his mind until months later I got his reply.

"I hope there are no bombs near," he said, "and that the old home is still standing."

But then I had never spoken to him about air raids. I had no idea how much news of home he was getting.

Even now I do know whether he gets his news from official German bulletins, or from the Swiss and American representatives of the International Red Cross who visit the camps.

What a welcome those neutral visitors must get from hundreds of British Tommies starved for news of home!

Who are his friends? What does he do with himself all day? What does he get to eat? How does he spend his leisure time?

These are the questions I ask in my letters to Ted.

Jig-Saw Puzzle

Only a few of them get answered. But gradually, letter by letter, I am beginning to

get a shadowy picture of his life. It's rather like piecing together the bits of a jig-saw puzzle.

Now that spring has come he will be going to work on the roads—heavy work for a lad who has never done that kind of thing before, but I'm glad all the same.

I could tell from his letters written during the long winter months that the idleness was worrying him, that time was hanging heavy on his hands.

His last letter was full of good news. He has grown to 5 feet 10 inches and weighs 11 stone again—at first he had gone down to nine stone.

And the Red Cross food parcels are getting through regularly after all these months of delays, though they are arriving in bulk instead of as parcels for individual prisoners.

Another World

People are full of sympathy for me because my only son is a prisoner of war. Yet I think I speak for hundreds of mothers who had mourned their boys as dead when I say that, so long as he has enough to eat and clothes to wear, I am not worrying about Ted.

It's strange to have your son living almost in another world, but I think of those thousands of other boys who will never come back, and I know then that I am lucky.

I may have to wait months, perhaps even years, but one day Ted will come home.

Ending Petrol Waste

Tighter Control As Alternative

While the basic petrol ration books for May, June and July, now available, contain the same number of coupons as before, and officially there is no threat at the moment of a reduction in the next supplementary issue, it is understood that concern is felt about motor fuel supplies.

Consumption is rising faster than was allowed for. Besides the increase in the number of private cars in use, stated during the Budget debate to be 77,000 higher than a year ago, and the expanding demands of the Services, there is evidence that supplies are being wasted or misused on a potentially serious scale.

This, if not checked, may lead to stricter control of rationing. Further curtailment of civilian supplies would first of all affect the private motorist.

Misuse Of Coupons
The present position, an authority stated would suggest that all commercial and Service users have petrol to burn.

The private owner can nearly always get extra fuel if he has friends in the right places. There is stated to be much misuse of coupons, and not all of it contravenes the letter of the law.

Complaints of waste by the Army are widespread; they range from units in rural districts right up to the War Office. Whitehall regularly employs motor-cyclists to deliver messages which a business house would send by post.

A national call for economy is one of the measures proposed, with more stringent rationing as the alternative. While the Services must have every legitimate need met promptly, it is hinted that to prevent waste petrol for training purposes might well be rationed.

GRIN AND BEAR IT By Lichty



"Yoo-hoo, Mrs Garfinkle!—Are you comin' over for the 5 o'clock news summary?"

—RADIO—

ZBW, 355 metres (845 k.c.) and 31.49 metres (9,520 kilo-cycles)

Beethoven Symphony No. 3: The "Eroica"

Broadcast by ZBW on a Frequency of 845 k.c.s. and on Short Wave from 12.15 p.m. and 8.30-11.15 p.m. on 9.52 m.c.s. per second.

H.K.T.
12.15 p.m. Short Service of Intercession.

12.30 Al Bollington (Organ) and The Mills Brothers.

1 Local Time Signal and Programme Summary.

1.02 The New Symphony Orchestra and Keith Falkner (Baritone). "Morn Et Vita"—Judek (Gounod). "New Symphony Orchestra" cond. by Lawrence Collingwood; Shepherd, See Thy Horse's Foaming Mane; Had A Horse (Both from "Hungarian Folk Songs"—Korby). "Keith Falkner (Baritone) with Piano acc; Islamey—Oriental Fantasy (Baldreiff, arr. Casella). "New Symphony Orchestra" cond. by Eugene Goossens; In Summerland On Bredon (Housman-Peel); Birds In The High Hall Garden; O Let The Solid Ground (from Song Cycle "Maud"—Tennyson-Somervell). "Keith Falkner (Baritone) with Piano acc; Valse (Bisette "Koukoul"—Sibelius). "New Symphony Orchestra cond. by Eugene Goossens.

1.30 Reuter and Rugby Press and Announcements.

1.45 Turner Layton (Vocal) at the Piano.

2 Eddie Carroll and His Music.

2.15 Close down.

6 Indian Programme.

6.45 Closing Local Stock Quotations.

6.47 Dance Music by Jay Wilbur and His Band.

7.30 Variety.

8 London Relay—The News.

8.15 London Relay—"Questions of the Hour."

The Colonial Office announces the appointment of Miss D. J. Scourse to be a Nursing Sister, Hongkong.

AMERICAN PRESIDENT LINES

TRANSPACIFIC and ROUND-WORLD SERVICES

Next Sailings

UNITED STATES

Third week in July

For further particulars apply

AMERICAN PRESIDENT LINES

"ROUND-WORLD SERVICES"

AGENTS FOR TRANSCONTINENTAL & WESTERN AIR AND UNITED AIR LINES.

12 Pedder Street

Telephone 28174

FELLOWSHIP OF THE BELLOWS

JOIN NOW



AND HELP

RAISE THE WIND TO BUY
MORE AIRCRAFT
FOR THE

ROYAL AIR FORCE

MEMBERSHIP OVER 2600

BUT THERE'S

ROOM FOR MORE

ENROL ALL YOUR FRIENDS

TO-DAY

Count the
"TELEGRAPHS"
everywhere

Printed and Published for the Proprietors by FREDERICK PERCY FRANKLIN,
at 1 and 3, Wyndham Street in the City of Victoria, Hongkong.

everywhere. But for best service and
with your Old Favourite Restaurant.

MONTAGU LOVE • JANET BEICHER
A 20th CENTURY-FOX PICTURE

MORRIS COMMERCIAL TRUCK
1930 Model
New painting and overhauled
One Ton Truck
For further particulars apply to
FAR EAST MOTORS
PHONE 59101

"Hongkong Telegraph"
Published by the Hongkong Morning Post, Ltd.
Lighthouses, 115, Street, Hongkong
High Water:—17.09.
Low Water:—23.14.

The Hongkong Telegraph

FOUNDED 1861
No. 15500

四拜禮 號三月七英港香

THURSDAY, JULY 3, 1941.

日九初月六

SINGLE COPY 10 CENTS
\$30.00 PER ANNUM

JUST RECEIVED A SELECTION OF
Berlei Brassieres
"True-to-type"
Junior bust, Uplift, Lace with net lining.
Price \$3.95
Medium full bust, Satin and Lace, uplift.
Price \$3.50
Full figure bust, Satin and Lace with 2 inch bandeau.
Price \$6.95
WHITEAWAY'S

RUSSIANS PREPARING TO STAGE BIG COUNTER-OFFENSIVE

VICHY, July 2 (REUTER).—GERMAN UNITS ARE ONLY 325 MILES FROM MOSCOW, ACCORDING TO REPORTS REACHING STOCKHOLM, SAYS A DISPATCH TO THE VICHY NEWS AGENCY

THESE ARE ADVANCE UNITS, THE DISPATCH SAYS, WHICH HAVE THRUST BEYOND MINSK. THIS COLUMN HAS LEFT THE MAIN MINSK-SMOLENSK-MOSCOW ROAD AND IS APPARENTLY AIMING AT AN ENCIRCLING MOVEMENT SIMILAR TO THAT CARRIED OUT EAST OF BIALYSTOK.

Chungking Gives Nazi And Italian Envoys Their Passports

Special to the "Telegraph"

CHUNGKING, July 2 (UP).—The German and Italian Embassies to-day were handed Dr Quo Tai-chi's statement breaking off diplomatic relations, as well as their passports and the promise of safe conduct as far as the Indo-China border.

DR W. KOO REACHES LONDON

Replaces Quo Tai-chi

LONDON, July 2 (REUTER).—Dr Wellington Koo, China's new ambassador, to Great Britain, arrived in London to-night to take up his duties.

He had travelled by air from Lisbon where, since leaving Vichy, he had been waiting several weeks to receive the credentials of two secretaries who he is taking with him.

He was met at the airport by Dr W. H. Chen, Councillor of the Embassy, who has been Charge d'Affaires since Dr Quo Tai-chi left to take up the post of Chinese Foreign Minister.

Time To Settle Down

Dr Koo was greeted at the station by Sir John Munk, Vice-Marshal of the Diplomatic Corps, who represented Mr Anthony Eden, the Foreign Secretary. He declined to discuss the Russo-German war on the ground that he had not had sufficient time to consider a reasoned statement. "But," he said, "I hope to do this in a day or two when I have had time to settle down."

Interference With British Shipping

Action By Japanese

SPECIAL TO THE "TELEGRAPH"

LONDON, July 2 (UP).—In the House of Commons to-day, Mr Anthony Eden, the Foreign Secretary, emphasised that there could be no assurance to Japan regarding the economic restrictions "which they allege we impose on them," until the matter of interference with British shipping in a certain area of the China coast has been settled.

Emphasising that he was entirely in agreement with the viewpoint of Sir John Wardlaw Milne that more energetic representations should be made on the subject, Mr Eden pointed out that the matter is wrapped up in the general position regarding negotiations with Japan.

In a written reply to Sir Herbert Williams, Mr Eden stated that a final report had been requested from Japan regarding the denial to British firms the use of their properties at Hankow and other points on the Yangtze river.

Italian Interests In Russia

LONDON, July 2 (REUTER).—The Japanese Government has undertaken to protect Italian interests in Russia, says the Budapest Radio.

The statement issued by the Foreign Minister regarding the Axis recognition of the Nanking regime asserted that it amounts to the "extension of their aggressive policy towards the Far East and proves beyond doubt that these countries have unreservedly cast their lot with China's enemy."

It pointed out that the Nanking puppet Government are Japanese militarists and that therefore recognition is a gross injustice towards China whereby the Axis has forfeited all claim to China's friendship.

Axis Nations Hard Pressed

WASHINGTON, July 2 (UP).—The Chinese Ambassador, Mr Hu Shih, commenting on the Axis recognition of Nanking, said to-day that there had been no changes in the puppet character of the regime and it only shows how hard pressed the Axis nations will go to give Japan something. From the Japanese viewpoint, he asserted, recognition has been overlong delayed. Japan originally expected such recognition promptly after the creation of the puppet Government.

Chungking Reaction

CHUNGKING, July 2 (UP).—While the world awaited China's declaration after the Axis announcement of the recognition of the Nanking puppet regime, Dr Quo Tai-chi, the Foreign Minister, reported on the international situation at a Cabinet meeting to-day.

JOE LOUIS SUED FOR DIVORCE

CHICAGO, July 2 (REUTER).—Joe Louis, world heavyweight champion, is being sued for divorce by his wife—Maria Trotter—on grounds of cruelty.

Mrs Louis alleged that the "Brown Bomber" struck her first on January 2 and then again on April 10, after which date she separated from him. The couple were married in 1935.

Tokyo Declaration No Guide To Next Move

LONDON, July 2 (REUTER).—No authoritative comment is available in London regarding the Japanese Government's statement of policy enunciated this morning, "Reuter's" Diplomatic Correspondent learns.

Obviously the statement will require careful study and consideration.

In the meantime, there seems to be a certain lack of any clearly formulated policy as the statement does not seem to carry the situation much further or clarify the immediate intentions of the Japanese Government.

There seems little doubt that this statement is not unconnected with the recognition of the Nanking Government by Germany and her Axis satellites.

Meanwhile, these reports continue, the Russians are preparing a counter-offensive. Large Soviet forces are concentrated at Smolensk about 250 miles east of Minsk and the same distance from Moscow.

The dispatch adds that fresh Soviet divisions are ceaselessly moving westwards from Moscow.

BERLIN SAYS MURMANSK TAKEN

Special to the "Telegraph"

Berlin claims that German troops yesterday occupied Murmansk, important port on the northwest tip of Russia which is linked to a railway running to Leningrad, reveals "United Press" in messages from Berlin and Moscow.

The German high command also announces that Nazi forces have occupied Windau and that 100 Soviet tanks have been destroyed near Zlodez.

Against this Moscow reports that a Soviet naval squadron shelled Constanza and destroyed the German-Rumanian naval base there.

The report added that the Rumanians were caught unaware and that the coastal batteries did not open fire until after the Russian fleet had fulfilled its task and departed.

Prior to their arrival at a home port, the fleet fought off and shot down a German bomber and also sank a submarine.



The Russians claim to have dealt heavy blows to the Germans in the latest communiqué issued in Moscow. The communiqué reads:

In the Dvinsk and Minsk sectors our troops acted throughout the night, destroying enemy vanguard tank units. During the night our troops, operating in the Lutske sector, fought enemy motorised and mechanised units, dealing them heavy blows. In other sectors of the front there was intense patrol activity with rifle, machine-gun and artillery firing.

On July 1, despite bad weather which in some places rendered flying impossible, our air force successfully

TURN to Back Page, Column 3

FIGHTING IN SYRIA

Vichy Tanks Wiped Out

CAIRO, July 2 (REUTER).—About two-thirds of the Vichy tanks which took part in the unsuccessful counter-attack at Nebek were destroyed by Allied tanks and anti-tank guns.

The position recaptured by the Allies at Palmyra lies north of the oasis.

Newly-arrived British reinforcements added the operation. There is no sign of a Vichy attempt to relieve the enemy beleaguered in Palmyra.

Support By R.A.F.

CAIRO, July 2 (REUTER).—R.A.F. activity in Syria forms the subject of to-night's R.A.F. Middle East communiqué, which gives details of attacks on aerodromes, vehicles, barracks, stores and buildings at various places, including Palmyra, Aleppo, Beirut and the fort and citadel of Souaida.

The R.A.F. lost no planes.

Destruction From Air
CAIRO, July 2 (REUTER).—Aircraft of the R.A.F. and Australian R.A.F. carried out a number of attacks on aerodromes and other military objectives in Syria yesterday.

At Rayak, two unidentified aircraft were burned out on the ground, and four Potez bombers were badly damaged. Twenty-eight tanks and 20 large motor transport vehicles were also machine-gunned, and put out of action on the roads in the same area.

R.A.F. bomber aircraft made a

TURN to Back Page, Column 5

LATEST

See Back Page For Further Late News

Royal Princesses At Home

This latest official photograph presents a charming study of Princess Elizabeth and Princess Margaret Rose. It shows Princess Elizabeth enjoying a book while her younger sister sits in repose on a footstool, with their favourite dog, Jane, between them. The photograph was taken in their playroom.



R.A.F. Wins New Air Battle Over Northern France and Raids 'Drome

LONDON, July 2 (REUTER).—Strong fighter forces of the R.A.F. accompanied Blenheim bombers which this afternoon attacked the enemy aerodrome at Merville near Lille, where bombs were dropped on the runway, buildings and among dispersed aircraft. The railway junction southeast of Lille was also bombed.

These attacks were pressed home in spite of heavy opposition from the ground defences and a large number of enemy fighters which attempted to interfere in the operations.

These were beaten off with heavy losses. So far 17 are known to have been destroyed, R.A.F. bombers accounting for two of them.

The Eagle Squadron (American squadron) is credited with three of the enemy fighters shot down.

Two R.A.F. bombers and seven fighters are reported missing.

Lull Over Britain

LONDON, July 2 (REUTER).—The daylight raid lull over Britain continued to-day. It was announced by the Air Ministry.

No reports had been received up to

TURN to Back Page, Column 4

Auchinleck Takes Over Mid. East

CAIRO, July 2 (REUTER).—General Sir Claude Auchinleck, the new General Officer Commanding-in-Chief, Middle East, is already in Cairo which he reached from India.

Captain Lyttelton

LONDON, July 2 (REUTER).—Captain Oliver Lyttelton's headquarters will be in Cairo, "Reuter's" Lobby Correspondent understands.

As his civil work will include the dissemination of information and other political activities from the British side, those activities will be carefully designed not to touch Egyptian domestic affairs or the normal relations of Sir Miles Lampson, the British Ambassador with the Egyptian Government.

Cairo has been chosen as an obviously convenient centre for Captain Lyttelton's work which at no time will be allowed to overstep the line of Egypt's position as a sovereign state.

Haining Appointed

LONDON, July 2 (REUTER).—The War Office announces that General Sir Robert Haining has been appointed Intendant General of the Middle East.

It is understood that the appointment was made because it was felt that a very senior officer was required in the Middle East to deal with the complicated administrative problems which were bound to arise.

The appointment takes effect from May 19.

Chiang Like Churchill: Undismayed By Odds

LONDON, July 2 (REUTER).—In an editorial under the title "Toughness of China," "The Times" publishes from a special correspondent in China a lengthy message from which the following is an extract:

"Although the Chinese were unable to conceal their dismay when the Matsuoka Pact was announced, General Chiang Kai-shek himself never wavered.

"Since the outbreak of war in China his attitude has been that of Churchill after the fall of France—if necessary for years, if necessary alone." Nor did any of his supporters really doubt the future.

There was a general feeling in Chungking that China, if not betrayed, had been badly served. Unable to believe, however, that Russia

would withdraw her active support, the Chinese felt that the blow was moral rather than material.

Peace Party

"The chief moral effect for which observers waited, was the reaction of the 'Peace Party' in Chungking. The Peace Party is small in numbers but is never quite dormant and is not a Party in the usual sense. It has no avowed leader and no cohesion. The term has come to include those elements inside and outside the Government, many of them unknown to each other, who are weary of hostilities. Their aim is to go home—back to the great cities of the coast."

Picked for Prettiness —and Coolness!

Fresh Styles from
America

Cotton Frocks

In checks, stripes and florals,
many with the popular shirt
top.

\$19.50

Jersey Cloth and Silk Dresses

Fashionable spots, stripes
and Florals.

from **\$25.50**



A LIMITED NUMBER OF
EXTREMELY SMART

**WHITE
FELTS**

from **\$9.50** ea.



CHIFFON SQUARES, \$2.95 ea.

Soft colourings. Pleasing designs

WHITEAWAY, LAIDLAW & Co., Ltd.

NEW

"PARLOPHONE" RECORDINGS

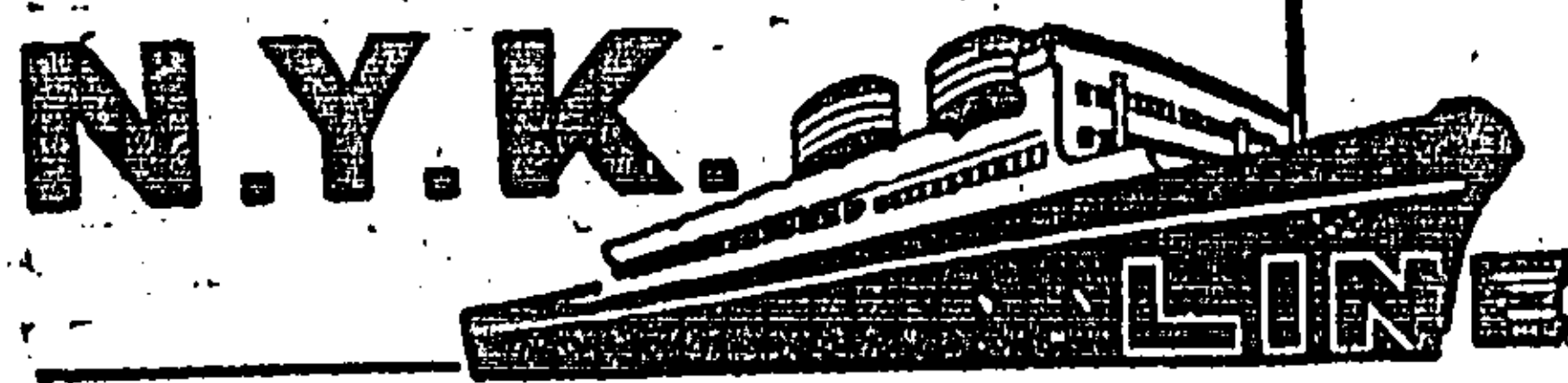
MP50—Cheerio, F.T.	Harry Roy & His Band.
MP51—If I Only Had Wings, S.F.T.	Harry Roy & His Band.
MP52—Farewell Blues	Dark Town Strutters Ball
MP53—Maybe, Q.S.	Victor Silvester Orch.
MP54—If Tears Could Bring You Back	On The Sunny Side of the Street
MP55—Let The Bands Play 6/8 One Step	My Greatest Mistake, F.T.
F1777—Sunny No. 3 E Major	Robinson Cleaver Organ & P. Rossborough, Piano.
F1780—If Tears Could Bring You Back	The Organ, Dance Band & Me.
F1781—Let The Bands Play 6/8 One Step	The Organ, Dance Band & Me.
F1787—Let The Bands Play 6/8 One Step	There'll Come Another Day, F.T.

SOLE AGENTS:

S. MOUTRIE & CO., LTD.

York Building

Chater Road.



SAN FRANCISCO & LOS ANGELES via Honolulu

Tatuta Maru (starts from Shanghai)	3rd July
Asama Maru (starts from Shanghai)	10th July

SEATTLE & VANCOUVER (starts from Kobe)

Helan Maru	Monday, 14th July
------------	-------------------

NEW YORK via Japan & Panama

Noto Maru	Saturday, 10th July
-----------	---------------------

SOUTH AMERICA (West Coast) via Hilo & San Francisco

Sanuki Maru (starts from Kobe)	Middle of July
--------------------------------	----------------

COLOMBO & MADRAS via Singapore

Hakodate Maru	Monday, 4th Aug.
---------------	------------------

SYDNEY & MELBOURNE via Manila

Sawa Maru	Saturday, 2nd Aug.
-----------	--------------------

SAIGON

Toyohashi Maru	Monday, 21st July
----------------	-------------------

BOMBAY via Singapore & Colombo

Hakone Maru	Monday, 21st July
-------------	-------------------

RANGOON & CALCUTTA via Singapore

Matsumoto Maru	Tuesday, 8th July
----------------	-------------------

KOBE & YOKOHAMA

Noto Maru	Saturday, 10th July
-----------	---------------------

Nitta Maru	Monday, 28th July
------------	-------------------

Cargo only.

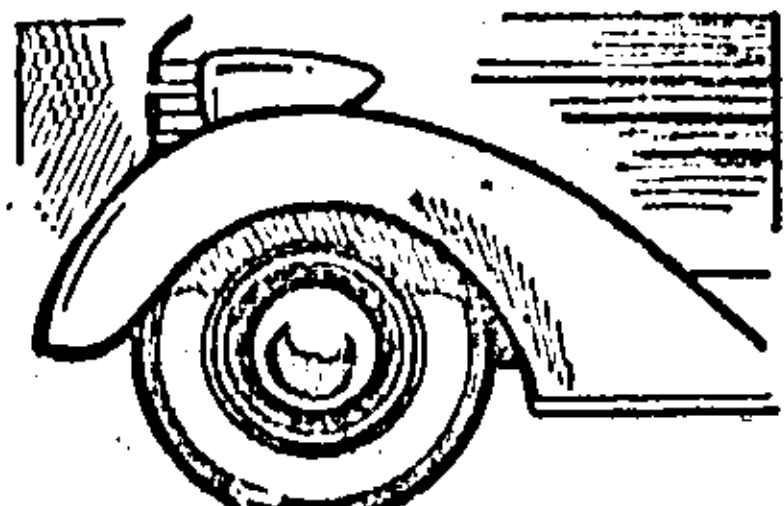
Complete Information from Your Agents or:

NIPPON YUSEN KAISYA

KING'S BUILDING

TELEPHONE 30291.

General Passenger Agents in the Orient for Cunard White Star Line.



The LATEST IN AUTOMOBILE ATTIRE

When you dress your car, do a complete job... Don't stop with polishing or waxing the body and cleaning the windows... dress the tires also with WHIZ WHITE TIRE COATING.

Give your car that sought after, smart appearance... that finished look that only white sidewall tires can give you... use WHIZ WHITE TIRE COATING.

White sidewall tires by WHIZ for the latest in car.

Attire...



Sold Here
**HONGKONG
HOTEL
GARAGE**
Stubbs Rd.

DEATH

WONG.—On 3rd July, 1941, at 6.30 a.m. at Tai Wo Hospital, Miss Joan Wong, eldest daughter of Mr. & Mrs. Wong, Pang, Leuk. Funeral will take place tomorrow, July 4, at the Chinese Christian Cemetery, Pokfulam, leaving Anderson's Funeral Parlor at 4 p.m.

The
Hongkong Telegraph.

Thursday, July 3, 1941.

Wyndham St., Hongkong
Telephone: 26615

THE prefix "Special to the Telegraph" is used by the "Hongkong Telegraph" to indicate news which is strictly copyright under the provisions of the Telecommunications Ordinance, 1936. Such news as bears the indication "S.T." is received in Hongkong on the day of publication by the United Press Association, who reserve all rights and forbid republication, either wholly or in part without previous arrangement.

GO WARILY, CHUNGKING!

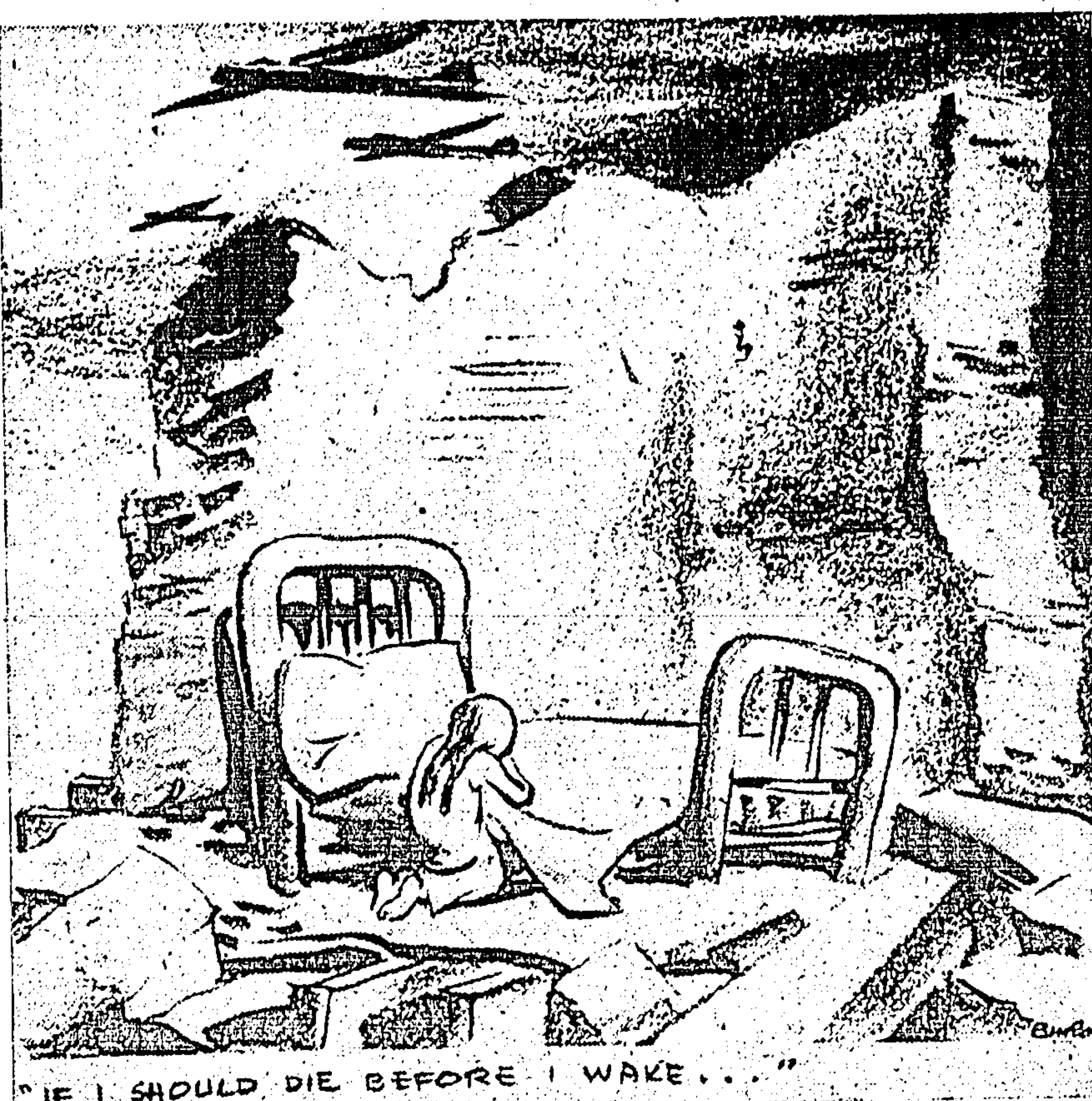
RECOGNITION by the Axis Powers and their acquiescent bed partners, Spain, Bulgaria, Rumania, Slovakia and Croatia of the Wang Ching-wei regime, and Chungking's immediate counter measure of withdrawing her envoys from Berlin and Rome, may indicate something more than a mere diplomatic manoeuvre. For some time past Chungking has not lacked for voices demanding that Free China sever all relations with the Axis Powers and goes to war with them. Mr. Eugene Chen, although not a Chungking Government spokesman, has long argued that this must be the step for Free China to take, and yesterday there was a significant agency report from Chungking, hinting official inspiration, that a course such as this might be taken in the near future.

It is possible that the Axis decision to afford official recognition of the Nanking Government is an attempt to coat nasty medicine which Japan is expected to take, with some sugar; what Germany hopes to be an effective form of blackmail. Japan has been made extremely nervous by the current international situation; she is becoming more and more estranged from the United States—the one country whose friendship she has always wooed and wanted; she has Russia and Germany embroiled in a war, the outcome of which, no matter which way it be, cannot afford any consolation to Japan, whose great enemy has always been her immediate neighbour in the west; she is tied to a tripartite pact, the terms of which she is probably realising more and more are extremely one-sided, and certainly not to her advantage; while she still has on her hands an interminably long and highly expensive war, producing very little in results. Her position is not an enviable one.

It is generally accepted that Hitler wants Japan to create a diversion in the Far East which will involve Britain and the United States, and the Nazi dictator is probably extremely annoyed in the failure of Japan to force the issue over the N.E.I. Now, it would appear, he has decided to use the soft gloves of persuasion to bring Japan to his bidding, even possibly hoping that China will take such a step as declaring war on him and his Allies, which might then enable him to insist upon that vital clause in the tripartite pact by which the signatories, given certain eventualities, go to each other's aid.

Thus, Chungking would be advised to act warily, or she might take a step which would do more harm than good to her own cause and that of her friends, Britain and America. Clearly there is some reason behind the sudden decision of Hitler to accept the Nanking regime; he never gives something for nothing, and Chungking will be well advised to wait for Japan's next move before taking any irrevocable step, praiseworthy though her intentions may be.

PULITZER PRIZE CARTOON



Jacob Burck of the "Chicago Times" has just been awarded the 1940 Pulitzer prize for this great cartoon. Its whole story is told with the title—"If I Should Die Before I Wake..." Picture is of a little girl praying in her bombed-out home, while war planes fly overhead.

How The British People Live

By George A. Greenwood, F. R. Econ. S.

Nowhere in Europe, perhaps nowhere in the world, are political and social conditions more stable than in Great Britain. Major issues may from time to time arise, producing acute controversy, and in Britain, as in other countries, there are wide differences of opinion. Yet there has not even been a hint of crisis that would threaten the nation's security.

This is, of course, due in part to the national character, for more homes were more apathetic and more urgent than which is rarely roused, and then only with the utmost difficulty. But there is a deeper, more fundamental reason. In the first place, this freedom-loving people suffer under no undue restraint of their liberty; slowly but surely, month by month, and year by year, profound changes for the better in their way of life are being secured by peaceful methods.

The most ardent lover of his country would not deny that at the opening of this century Britain stood in need of social regeneration. This country was the pioneer in the application of mechanical power—and the inventions which followed—the process of daily work. If the pioneers of 200 years ago had had time to pause and think, they might have planned better and built differently, but they were overwhelmed by the tremendous significance of these new discoveries.

Rehousing Problem

It is not surprising in the circumstances, that with the passing of time these great accumulations of buildings deteriorated, and produced in Britain what ultimately became one of its principal problems—that of re-housing. With this problem also developed another, that of improving and preserving the health of the people, and providing them with those social and recreational facilities which the conscience of a more enlightened age began to demand.

The enemies of Britain and even its friends who were over-zealous in their reforming zeal have, unfortunately, created the impression that conditions 30 or 40 years ago were a good deal worse than the truth. Many countries could be named which suffered under a housing problem far worse than Britain's. The average workman's home, even before 1914, was a palace in comparison, for example, with the miserable hovels of a Russian peasant, or

The writer of this article is the author of "England Today," which was the first survey of social conditions in Great Britain at the end of the last European War. He has for 30 years been an observer and student of the life of the people, and is a well-known journalist.

even the poorer quarters of workmen. The great drive for improvement came after the last war. During the four years of fighting house building stopped completely and in 1919 the need for more homes was more acute than ever.

New Building

By a series of schemes more than 4,000,000 new homes of various types have since been built, and something like one-third of the entire population has been re-housed. Of this number well over 1,100,000 houses have been built by local authorities, and approaching 3,000,000 by individuals and contracting firms and also the building societies, organisations formed by the workers themselves. It is true to say that one out of every three houses in England and Wales alone is new, having been erected within the past 21 years.

What are these houses like? The old ones were generally in rows or terraces with one or two rooms below and two or three above. Very few, if any, were blocks of tenements. But the post-war structures are built on the outskirts of cities and towns, upon newly-developed estates, beautifully laid out in gardens and avenues. There they stand in pairs, or in blocks of four, or not more than six together, of brick or stone, with trimly kept gardens at the back and the front.

The average house has a parlour, a large living room, and a scullery or kitchen. Upstairs there will be three bedrooms and invariably a bath, usually in a room to itself. Downstairs and upstairs the housewife will have a plentiful supply of hot and cold water. Practically all these houses are electrically lighted, or they will have gas. In many cases almost entire communities have been moved from the central areas of crowded and congested towns and cities, to the fresh, open, healthy atmosphere beyond, and have thus been enabled to live a new life in delightful surroundings.

A spectacular development of the past 20 years in Great Britain has been the new and im-

proved systems of transport which ply upon the roads and streets. There is probably no part of the country, excepting the most remote village or hamlet, which is not now linked up with the vast centres of population, either by motor bus or motor coach.

Britain still remains to a most surprising extent a rural community. Considerably over 750,000 people work upon the land. They and their families live either in villages or in scattered hamlets. Before the impulse towards social improvement took effect, housing conditions in some of these remoter areas were, perhaps, worse than those existing in the towns. Many cottages, hundreds of years old may have been gems of architecture, but more often than not they were damp; in few cases was water laid on; artificial light came from oil or from candles; sanitation was primitive.

It is here that the regeneration of Great Britain has been most striking and profound. By State aid and private effort something like 100,000 of these lovely cottages have been preserved and reconditioned. Some have been pulled down, and as to supply the growing needs of the agricultural population, large numbers of new homes have been put up. One happy woman remarked to me that in her own cottage now were practically all those conveniences which were enjoyed by the lord and his family in their mansion nearby.

Education

Other factors have greatly helped to change the face of the British countryside. A higher standard of education, given in schools far better than those of the old days, the cheapening of books and newspapers, the arrival of the radio, which costs the listener a fraction above 2d a week for his licence; the penetration of the cinema into the larger, and even some of the smaller, villages—all these things have brought a new birth to rural communities.

They have been aided by two other important developments—the arrival of the motor bus and the motor coach, which link up the countryside and outskirts of the town with the great centres of population, running on practically every high road and many a by-road; and the coming to this country of the Women's Institutes from Canada in the days before the last Great War. At these Institutes wives and daughters learn almost everything—from general knowledge

Glossary for Nazism

By J. C. Johnstone

HITLER'S one consistency is his distortion of plain terms to suit his own vile purposes. Thus it is that, whether he is addressing the Reichstag or publicly explaining why he took the steps he did to bestow German blessings on the Balkans, or exposing the machination of his enemy, he habitually uses a language all his own.

No one outside the Axis countries, and only the most glib minds inside them, could any longer be hypnotised by Hitler's bland pretence that whenever he attacks a neighbour it is he who is the real victim of treachery and aggression.

It may, however, be instructive to compile a specimen glossary of Nazi terms habitually used in the attempt to convince the world that black is white, or at any rate a higher shade of grey. Here it is:

PEACE OFFER.—A peremptory summons to stand and deliver or be blitzed.

SACRIFICES FOR PEACE.—The cost of compliance with such a summons.

GUARANTEE.—Pledge to protect a weak neighbour from being pillaged by anyone but the Axis.

PROVOCATION.—(1) Being in a position where Germany wants to invade you. (2) Adopting any kind of measures for self defence.

UNNECESSARY BATTLEMENT.—Refusal by a non-belligerent to show grovelling subservience to the Axis.

COLLABORATION.—The opposite of unneutral behaviour.

ATMOSPHERE OF CORDIALITY.—The condition when, at a conference with an Axis Power, the other party is yielding to intimidation.

BARTER.—Making a poor country pay for its keep in economic bondage.

NO HOSTILE INTENTIONS.—The spirit of warm friendship in which Germany massacred the inhabitants of Rotterdam.

MILITARY OBJECTIVE.—Anything Germany wants to bomb from the air; anything she would like us to believe the R.A.F. never hit.

CRIMINAL.—Anyone helping to thwart the designs of the Axis.

WARMONGER.—Anyone advocating or promoting armed resistance to Axis aggression.

PLANS (BRITISH) for extending the war.—A routine formula explaining away each new Nazi aggression.

LEBENSRAUM.—The cuckoo's name for its victims' nests.

PAUTOCRATS.—The nationals of any country which possesses something the Axis covets.

HAVE-NOTS.—Nations who have no butter, because they have wasted all their substance on guns. (They may be compared with a man too poor to pay his grocer's bill, but able to afford a world cruise.)

ENVY.—The feeling paradoxically aroused in the Haves by the Have-nots.

YOUNG NATIONS.—Very old nations who have reverted to ancestral barbarism.

DECADENT DITTO.—Nations whom the Axis wants to despoil.

MATERIALISTIC DITTO.—Nations insensitive to the beauties and advantages of the Axis Utopia.

FEIGN (GERMAN) for bare existence.—The fight waged by the wolf in the fold against the sheepdog.

ENCIRCLEMENT.—Any resort to mutual support on the part of Germany's intended victims.

DISMEMBERMENT OF GERMANY.—The liberation of non-German territories which Germany has annexed by force or fraud.

PENETRATION.—Withholding from Germans abroad the privileges of violence and intimidation which they enjoy within the Reich.

BETRAYAL (as of Poland by Britain).—The bandit's taunt to the pursuers who have not yet succeeded in recapturing his loot.

of their own country and the outer world to the latest ideas in cooking, household tasks, nursing, garden cultivation, handwork and so forth.

Working Conditions

It is the same everywhere. Not many British workers, when there is no war, do more than a 48-hour week. Many work several hours less. No child under 14 can be employed in a factory to-day. There are all-embracing schemes of insurance against ill-health and unemployment. Practically every kind of physical need from cradle to grave is provided for in the service rendered by the Ministry of Health, which is constantly recording a decrease in rates of infantile mortality and of lingering and other fatal diseases.

Everywhere, in town and country, parks, open spaces and playing fields abound. There is a free, unrestricted press. Every man and woman who is 21 or over can now exercise the franchise. If asked, the average man or woman to-day would say that Britain is fighting to preserve intact her great heritage of liberty and to make sure that this state of high civilisation shall not be destroyed.

Canadian Labour Has Support of Government

OTTAWA, July 2 (Reuter).—Nearly 3,000,000 workers in Canada should be paid a cost of living bonus—this statement of the Canadian Government's policy was made by the Labour Minister, Mr. McLaughlin, after the Labour Mediation Board dealing with a dispute between railway companies and their employees had recommended a cost of living bonus in some but not all wage levels.

Mr. McLaughlin said that the Board's finding was rejected because all the workers represented before the Board should be treated alike.

While not mandatory on the employers, Mr. McLaughlin expressed confidence that the Government recommendation would be followed. The bonus amounts to 25 cents a week for each rise of one per cent in the cost of living above August, 1939, level.

The present level shows a rise of 7.7 per cent. No increase in the basic wages above the rates of 1920 to 1940 are intended.

No Far East Alliance

SPECIAL TO THE "TELEGRAPH"

BATAVIA, July 2 (Dome).—Mr. J. H. Rittman, spokesman of the Netherlands East Indies Government, described as "groundless" the reports that a military agreement had been concluded among the Netherlands East Indies, British, Malaya, and Australia.

No such Press message has been sent abroad by any Dutch newspaperman or foreign correspondents now in the Dutch East Indies, Mr. Rittman declared, adding, "The report is not only groundless but just a pure fabrication." Mr. Rittman said that he believed that the report originated in Manila.

Nazis Clamp Down On N. Norway

LONDON, July 2 (Reuter).—A state of emergency has been declared by the German military authorities throughout the whole of Northern Norway and martial law has been introduced in some districts, according to Swedish newspapers quoted by the Norwegian telegraph agency.

There have also been extensive round-ups of persons suspected of sympathy with Russia and two new concentration camps, established in isolated districts, already contain several hundred Norwegians, mostly members of the Labour movement.

RAINS SLOW TRAFFIC ON BURMA RD

RANGOON, July 2 (Reuter).—Lushio traffic along the Burma Road has been interrupted by floods and landslides and the bridge near Chafong has been washed away.

The transport control officer has forbidden lorries to proceed to China in order to avoid congestion.

One Chinese lorry crashed into a stream after slipping off the road, the driver miraculously escaping. A transport company rushed emergency rations to feed the marooned drivers.

Latest information is that the floods are subsiding and the bridge will be replaced in four days.

The highway within the Burma frontier is also affected.

Railway Extension

RANGOON, July 2 (Reuter).—The staff in charge of the Kungting border extension have arrived at Lushio for the reconstruction of a telephone line along the railway project.

Other engineers from England and America are expected.

Russians And Rumours

Lesson From Paris

LONDON, July 2 (Reuter).—Moscow Radio, broadcasting this evening, gave an urgent warning to the Soviet people against the spreading of rumours likely to undermine the nation's morale.

The announcer recalled the circumstances of the fall of Paris and said, "Fantastic rumours of imaginary German victories were spread and decisively contributed to the French collapse."

The reaping of the harvest is proceeding very well in Czernovitz and Bukovina, it was stated on the radio to-day.

Pope Quoted

MOSCOW, July 2 (Reuter).—Answering a whole series of assertions made over the German radio and in the German press such as that the Government had left for the Ural Mountains, that the Germans were on Moscow's door-steps and that the population of Moscow greeted with joy their German liberators, M. Lozovsky, Foreign Office spokesman, pointed out that the Pope in his broadcast on Sunday did not defend Germany and Italy for their aggression against the Soviet Union but merely said that the peoples were being led towards misery and poverty and did not declare a Holy Crusade against the Soviet Union.

HARVEST BEING COLLECTED

LONDON, July 2 (Reuter).—The harvest is proceeding very successfully in the Ukraine and Bukovina, according to an announcement on the Moscow radio.

All possible efforts are being directed to gathering the crops as quickly as possible to prevent loss.

The announcer added that women are working successfully on the tractors.

United States' Great Spending Programme

HYDE PARK, July 2 (Reuter).—President Roosevelt on Tuesday signed five appropriation bills totalling \$3,500,000,000 bringing the total cash outlays and contract authorisations approved by Congress since January to about \$3,000,000,000 in the history of the United States.

The five bills include \$910,000,000 for relief, \$1,100,000,000 for the Labour Department and the Federal Security Agency, and \$1,340,000,000 for the Agricultural Department and the Farmers' Aid Programme.

Exchange At A Glance

SELLING	
T.T. London	1/2 1/2
Demand London	1/2 1/2
T.T. Shanghai	44 1/2
T.T. Singapore	52 1/2
T.T. Japan	102 1/2
T.T. India	82 1/2
T.T. U.S.A.	24 1/2
T.T. Manila	48 1/2
T.T. Batavia	45 1/2
T.T. Bangkok	140 1/2
T.T. Saigon	104 1/2
T.T. France	102 1/2
T.T. Switzerland	102 1/2
T.T. Australia	1/6 1/2

BUYING	
4 m/s L/C London	1/3 1/2
4 m/s D/P London	1/3 1/2
4 m/s L/C U.S.A.	25
4 m/s France	84 1/2
30 d/s India	84 1/2
U.S. Cross rate in London	4.02 1/2
U.S. Cross rate in N.Y.	—

Canadians Reinforce Britain

LONDON, July 2 (Reuter).—Defying the Nazi attempts to blockade Britain, the largest contingent yet of Canadian troops has just arrived safely in Britain.

It includes many thousands of men—black-bereted tank men, engineers, husky lumberjacks of the Canadian Forestry Corps, infantry reinforcements, nurses, army doctors and representatives of almost every other branch of the Canadian Army.

Hundreds of airmen were also aboard.

It was also announced to-night that Belgian troops have arrived in Britain from Canada where they were trained. They will join the Free Belgian forces.

The Belgian Minister of National Defence, M. Cuij, has sent them a welcome and congratulations on their safe crossing.

Drug Market In Egypt & Syria

CAIRO, July 2 (Reuter).—Increasingly large quantities of hashish and opium are entering Egypt as the result of the war, according to the annual report of Russell Pasha (Sir Thomas Wentworth Russell), Director of the Egyptian Central Narcotics Intelligence Bureau.

Russell Pasha declared that conditions in Syria threaten a reversion of that country to its former role of being the principal hashish-producing country in the east and the high-road of the opium traffic to Egypt.

The report shows that traffic in heroin, which is seaborne, has been practically stopped while hashish and opium, which come from and through Syria, have increased.

Vichy Persuasion Of Turks Fails

ANKARA, July 2 (Reuter).—Admiral Darius's Secretary of State, M. Benoit Mechin, has failed to obtain permission to send arms to Syria via Turkey. It is strongly rumoured here.

It is believed that he is now trying to obtain permission for the evacuation of the French from Syria via Turkey.

Nurses Rescued

SPECIAL TO THE "TELEGRAPH"

WASHINGTON, July 2 (UP).—The American Red Cross to-day announced that seventeen nurses aboard an unnamed ship which was recently torpedoed in the Atlantic had been rescued.

The Secretary of the Navy, Colonel Frank Knox, told the press that three United States Marines had not yet been found, but he hoped that they would be aboard some ship which had not yet reported.

Knox Reaffirms View That U.S. Must Fight

WASHINGTON, July 2 (Reuter).—President Roosevelt's hope that America can stay out of the war, expressed at his press conference on Tuesday, supplied the background of Colonel Frank Knox's press conference to-day in the light of his recent urgent appeal for action.

At the press conference to-day, Colonel Knox stated emphatically that no United States vessels on Atlantic patrols had been used for convoy purposes nor had become involved in combat and that there had been no loss of life, crews or loss of equipment.

Questioned about Congress criticism of his demand that America should sweep the Nazi menace from the Atlantic, Colonel Knox refused to add anything further but admitted that he certainly held to what he had said.

The more responsible editorial writers are worried and say so frankly and without hesitation.

"Times" Sees Feelers

Arthur Krock, the veteran Washington correspondent of the "New York Times," says that on the surface a member of President Roosevelt's Cabinet is publicly advocating a policy contrary to his Chief's, calling for a war which the President hopes to avert—this is criticism to the point of insubordination.

Krock says, however, that Colonel Knox enjoys both the confidence and trust of the President and says that the only answer to why Colonel Knox continues to point out that the President's hesitation is at the peril of national security is that President Roosevelt himself has sanctioned this action of Knox in the hope that the discussion which is bound to arise will put the nation, which is at present divided, behind the eventual decision.

Delivery of Goods

In other words, says Krock, this is a series of scouting expeditions into the public mind and says that incidentally that the President has done nothing to implement his promise that goods must and will be delivered to Britain.

"Give us the facts," says the "Baltimore Sun," adding that members of the Cabinet should either say less or more than Colonel Knox has done.

The "Sun" continues with a plea to go ahead firmly and vigorously in the execution of a policy on which America acts openly.

People Must Be Told

An overwhelming majority have decided on full effectual aid for Britain and production must be followed by delivery, and if delivery is not being made, then the people must be told so and told the necessary remedies.

"Let the American people know what they need to know for their protection and let them have leadership in any steps needed for their protection."

The "Washington Post" hopes that Colonel Knox's speech is the harbinger of action and says that if Hitler succeeds in Europe, the American continent will begin to break up. America's voice in the world would then become a whisper, but there is still time to foil Hitler's object to achieve an empire with which to terrorize the rest of the world.

"The desperate gamble Hitler is making in Russia calls imperatively for Britain and America to strike a blow which would deliver both countries."

Painters Get More

Twenty Per Cent Increase

It is announced by the Labour Office that an agreement was signed last Saturday in the presence of the Labour Officer, between the Chai Chi Tong Painters Guild and the principal painting contractors, by which an increase of 20 per cent. will be granted to all painters employed by these principal contractors with effect from Sunday, June 20.

This increase is divided between an increase in basic wage rates and an increase in food allowance.

The Hon. Mr. J. P. Pennefather-Evans, Commissioner of Police, has left the Colony on a short visit to Chungking.

Casey Urges America To See Writing On The Wall

CHARLOTTESVILLE, Va., July 2 (Reuter).—"The stakes at issue are the greatest of all time," declared Mr. R. G. Casey, the Australian Minister to the United States, in a speech to the Institute of Public Affairs to-day.

"They are no less than the future of the world. The war will not end in 1941 but the issue will be silently and fatefully decided in 1941."

"We in Australia are in no doubt as to what this is about. We all know that if democracy loses the war, we will lose our political and economic freedom and that it is unnecessary for us to be invaded for this to come about."

"This is no more Britain's war than it is Greece's, Norway's or Brazil's war—or yours (United States). Make no mistake about it; we Australians did not go into the war because of some European dispute. We went in because we realised that if everyone of us did not stand by Britain, the writing was on the wall for democracy and for our way of life and for us."



SLEEPING SUITS

Knee length — Short sleeves

Made of fine Zephyr cloth in plain blue, fawn, grey and green. The "Man-cased" waist-band adds to their comfort.

\$12.50

less 10% cash discount

MACKINTOSH'S LTD.

MEN'S WEAR SPECIALISTS

Swan, Culbertson & Fritz

Investment Bankers and Brokers

Members of New York Cotton Exchange

Chicago Board of Trade

Manila Stock Exchange

Winnipeg Grain Exchange

Commodity Exchange, Inc., New York

Canadian Commodity Exchange, Inc., Montreal

New York Coffee and Sugar Exchange

Hongkong Sharebrokers Association

Shanghai Stock Exchange

SHANGHAI, HONGKONG, MANILA and BUENOS AIRES

Cable Address: SWANSTOCK

A TIMELY REMINDER



THE CLEANING SYSTEM THAT WILL PREPARE YOUR WINTER WARDROBE AND HOUSEHOLD FURNISHINGS FOR PERFECT SUMMER STORAGE

SEND ALL YOUR CARPETS AND RUGS FOR SHAMPOOING BEFORE STORAGE

THE STEAM LAUNDRY CO.

Head Office & Works 57032

Gloucester Bldg., 2nd Flr., Tel. 28938 Hong Kong Depot, Tel. 21279

Kowloon Depot, Tel. 58545 Peak Depot, Tel. 29325



HONG KONG HOTEL

MEET AND EAT HERE

MAC'S CAFE

The Business Man's Favourite Rendezvous

TABLE D'HOTE TIFFINS \$1.75

GRILL SPECIALITIES A LA CARTE

SNACK COUNTER & BAR

Quick Snacks and Refreshments

ON SALE AT MAC'S COUNTER

Finest Assortment of Home-Made Pastries & Cakes. Chocolates in fancy boxes.

ORDERS TAKEN FOR WEDDING CAKES AND CAKES FOR EVERY OCCASION

HONG KONG HOTEL

THE HONG KONG & SHANGHAI HOTELS, LTD.

LAST DAY of GORDON'S SHOE SALE

SATURDAY JULY 5th.

FURTHER HEAVY REDUCTIONS



ECONOMIZE—BUY the LARGE TUBE



CHILDREN WANT this EXTRA PROTECTION

Growing children are in constant danger from germs in the mouth that attack the teeth and cause decay. You can guard against this happening! Have your children brush their teeth regularly with Kolynos, the scientific, germicidal dentifrice that not only cleans teeth quickly and safely but destroys the dangerous germs. It is easy to get children to brush their teeth with Kolynos because they like its cool, refreshing taste.

KOLYNOS the economical DENTAL CREAM

"WICK'S" BOWLS NOTES

A Week-end Of Surprise Results

Splendid Victory For K.C.C. Over Indians

Set-back For Kowloon Tong

TWO "POSSIBLES," a seven, Craigengower's smashing victory over Civil Service C.C. and Kowloon Cricket Club's clean-sweep success over the Indians at Cox's Road were the chief features of last Saturday's League programme.

Though the champions, Recreio "A," also won their match against Kowloon Dockers at King's Park, they conceded a point, and, as a result, their Happy Valley rivals, Craigengower, are only four points behind with two matches in hand.

The Indians, who are also in the running for the championship, have seriously jeopardised their prospects by their defeat at the hands of the lowly-placed K.C.C. team. The result of this match was the biggest surprise of the day.

In beating the Civil Servants, Craigengower O.C., on their own green, set up the highest aggregate score for the season. Bradbury's rink scored 38, Omar's 32 and Rossett's 35—a total of 103.

While the home team could do little right and did not at any time give the impression that they had succeeded in setting down the visiting skips had a bad time of it throughout and but for good work by J. F. McGowan and M. N. Rakusen, the Craigengower score might have been even higher.

Craigengower's strong position may be attributed to their ability to score clean-sweep successes against the weaker sides. After losing their first game against Recreio "A," they scored one point—they have beaten Recreio "B," Kowloon C.C., Kowloon Dockers and Civil Service by 5-0 and in the game against Kowloon B.G.C. "A" they won by 4-1.

KOWLOON C.C. improved their standing considerably as the result of their success over the Indians, who once again revealed their weakness when playing away from their own green.

It was certainly no "fluke" on the part of K.C.C., for whom their leads, A. E. P. Guest, N. D. Lloyd and A. E. Perry, laid the foundation for their three-rink victory. All three played consistently well.

Of the skips, E. C. Fincher was probably the best, drawing and playing pound-on shots with equal facility. T. A. Madar, who beat A. R. Dallah by six shots, was up against a man who had no luck at all with his drives.

N. J. Bebbington, taking charge of a rink for the first time this season, had a happy combination playing with him, and proved once again that harmony in a rink can often overcome many handicaps.

FOR the first time in 15 years, the Recreio "A" team took the field last week without Carlos Silva, who has been advised to rest for the remainder of the season owing to a tumour in the ribs. Even without him, the champions won their match comfortably against Kowloon Dockers, though F. X. M. da Silva's rink went down to R. Morrison's four by 14-24.

R. F. Luz, probably still smarting from his heavy defeat by A. R. Dallah two weeks before, piled it on Coleman to the tune of 40 shots to eight—to set a new record for a rink win.

J. McKelvie was the hero of the match between Kowloon B.G.C. "A" and Recreio "B" on the latter's green. He and his men, R. P. Phillips, A. Hyde-Lay and H. E. Drew, carried the side through by inflicting a 25-4 defeat on F. A. Machado, E. L. Barros, F. A. Noronha and L. J. Silva.

And though Adam Hollar and A. J. Hall both lost, McKelvie's winning margin was enough to put the Bowling Green men on the successful side of the scales.

IN the Second Division, Kowloon Tong's winning streak was stopped by Craigengower, and the surprising thing was

S.C.A.A. Draw 4-4

The South China Athletic Association touring football team shared eight goals with the Negri Sembilan State eleven yesterday at Seremban.

Lee Wai-tong (3) and Chan Tak-fai scored for South China.

For Dis Is Dis And Dat Is DatSo Play Ball

Probably the most appropriate reply ever given a ballplayer is the one with which Bill Guthrie squashed an argument.

Bill wasn't the most polished linguist in the world, but he had few equals in baseball for expressive language.

When the batter snapped at him that he was all wrong in considering the previous pitch a strike, Guthrie quickly whistled on him and in his most sarcastic manner declared:

"Listen fella. When I call 'em, they stay called. They're either dis or dat. And dis is dis. Play ball!"

that the leaders were beaten on their own green.

Another feature of the match was the heavy defeat sustained by the hitherto unbeaten A. J. Kew, who went down by no fewer than 18 shots (9-28) to E. J. Todd, M. A. Baptista, W. Ward and N. P. Karanjia.

Though A. Spary's rink had the better of W. K. Way's by two shots, J. L. Stephens' four were beaten by Tommy Lock's by five shots, leaving Kowloon Tong with only one point.

BOTH the "possibles" of the day were registered in this division. E. Kern's Kowloon F.C. rink (W. Naef, A. L. Eastman and C. Dowman) started off like a house on fire with an eight in the very first head against R. G. Grindley, A. H. Perry, G. B. Foster and C. Gowland, of the Prison Officers, and finished up seven shots to the good.

The other was to the credit of G. E. Costello's rink, which set up a scoring burst of 2, 4, 8, 2, 5 (21) which will be hard to equal against the Kowloon C.C. rink of S. A. Gray, R. Leigh, E. C. Curtis and R. S. Meadows.

No fewer than 59 shots were registered in this rink game, Costello's men winning by 38-21. So many shots in one rink game have not been scored for a long time.

THE INDIANS did well to take five points against Hongkong C.C. in the Third Division at Sookunpoo and are now only one point behind Kowloon B.G.C., the League leaders.

Craigengower are a point and half behind the Indians.

LAST Sunday many rink games were started but in every case rain terminated play after a few heads. For the information of those who had commenced their matches, the rules say that these must be continued from where they left off.



Lawn Bowls

E. C. FINCHER LOSES CLOSE GAME TO A. HYDE-LAY Rinks Championship

AFTER ONE of the best lawn bowls matches to date in the Rinks Championship, A. Hyde-Lay (R. P. Phillips, P. A. Peckham and J. E. Henson) beat E. C. Fincher (S. A. Gray, E. Curtis, A. W. Smith) 19-16 at the Kowloon Football Club yesterday.

At Happy Valley, the holders, R. Basu, A. E. Coates, J. S. Landolt and C. S. Rossett beat J. Forrest, J. Orem, J. Fender and E. G. Post 26-10, at the Hongkong F.C., while in the Pairs Tournament, W. Williamson and C. S. M. Thom beat M. A. Baptista and G. S. Ladd 30-16 at the C.S.C.C.

Even Struggle

HYDE-LAY and E. C. Fincher had a close struggle that was not decided until the last head had been played. The Bowling Green four went off to a good start and had chalked up seven shots before the K.C.C. rink registered a 4 to open their account.

From then on it was a pendulum struggle with all eight bowlers giving their best. They drew level at 11-11, but it was not until the 18th end that Fincher's rink went into the lead for the first time, scoring a single to lead 15-14.

The K.C.C. players lay the shot when the skips went to bowl in the 19th, but Hyde-Lay with a brilliant wood took out the opposing counter to even matters at 15-15.

Then came Hyde-Lay's four—the result of consistent drawing—and in reply Fincher could only manage a single to lose 16-19.

Holders Through

THE HOLDERS had little trouble from the Police four. They went off in a scoring burst that placed them 10 shots ahead before their opponents scored a single. From then to the 21st it was all in favour of the Craigengower four again, and the score at the end of that head was 21-1.

Scoring was:
Rossett: 1, 1, 2, 4, 1, 1, 0, 1, 1, 3, 3.
Fincher: 0, 0, 0, 0, 0, 0, 1, 0, 0, 0, 0.

1, 1, 0, 1, 0, 1, 0, 0, 0, 0, 0 = 20
0, 0, 0, 0, 0, 1, 0, 1, 0, 4 = 10

Pairs Match

SCORING a six and two five's, Williamson and Thom beat Baptista and Ladd 30-16 in the only Pairs match of the day.

The Craigengower pair fell away badly from the 14th end onwards, and over six of the last seven heads gave away 13 shots.

The Kowloon Dock pair were nearly always in the lead, first at 6-2 and then 8-0 on the 8th. Ladd scored a five on the 9th to take the lead 11-8, but the opposing couple came back with their six.

With three ringles, however, the Craigengower players drew up to 17-14, but could do little thereafter.

Scores were:
Thom: 0, 1, 0, 0, 0, 0, 2, 0, 0, 0, 3.
Ladd: 1, 0, 1, 0, 2, 1, 0, 1, 0, 0, 0.
0, 0, 0, 5, 2, 1, 3, 1, 1, 0 = 30
1, 1, 1, 0, 0, 0, 0, 0, 0, 2 = 16

Mexican Wins N. B. A. Featherweight Title

LOS ANGELES, July 2 (Reuter).—Ritchie Lewis, Mexican boxer resident in Los Angeles, to-day won the world featherweight championship as recognised by the National Boxing Association to-day by knocking out Pete Seaso in the fifth round. Seaso had held the title for 13 months.

League bowls action on the Craigengower green on Saturday last. The First Division team in action at the far end of the green, beating Civil Servants 5-0, while at this end members of the Third team, who were not engaged, were indulging in practice.—Ming Yuen

King Scores "Double" At Ascot Races Enthusiastic Demonstrations

NEWMARKET, July 2 (Reuter).—Although notable features like the fashion parade and the Royal Drive down the course were missing, the substitute racing here retained a Royal aspect since the King gained a tremendously popular "double" to-day.

Golf Ball Manufacture

Not As Simple As People Think

To the average player the ordinary golf ball probably appears to be one of the most uncomplicated pieces of sporting equipment, but actually more care is put into its manufacture than in many a larger, more spectacular product.

According to an announcement by United States Rubber Company, there are 131 operations in the making of its True Blue U.S. Royal.

Starting at the centre, the core apparently is only a small capsule of vulcanized rubber, but 17 steps are required to make it.

Intricate Affair

Around this is wound rubber thread, that looks like an ordinary rubber band, but 66 operations are needed to produce. Believe it or not, the company has taken 120 pages of a good-sized book just to lay down specifications for making golf ball thread.

Add 15 operations on the cover, and 33 more in the assembling of the centre, thread and cover, and you have 131 in all.

The need for such meticulous manufacture can be understood when one stops to think about the punishment a golf ball must take. It demands more from rubber than any other one of the thousands of products made of this material.

Preparing For Next Badminton Season University Activity

Despite the heat and dampness, several co-eds in Hongkong University are being coached at Badminton by S. L. Yong, the "Varsity's" energetic and capable captain.

The women, who comprise Misses Li Wai-kun, Joyce Kok, Peggy Lenn, Unging Koo, Lillian Yip, Beatrice Greaves, My Chow, Phyllis Hui, Fatima Mohideen, Peggy Ma, Daphne Ho, Jean Woo and Rosalind Cheng, have made splendid progress to date, and the University women's teams should constitute a real menace in next season's League events.

Miss Unging Koo, the present University champion and Miss Li Wai-kun, who in partnership with Miss L. Chow won the "Doubles" title, have been awarded their Badminton colours.

The offer by the University's men, who won the League and coach at private clubs, has not been taken up and it very much looks as if the offer will be withdrawn. It will be recalled that following applications, the University Union consented to appoint several of these outstanding players as coaches to clubs during the off season.

Expectations that the King has a great chance of winning the Derby and Oaks next year were strengthened when his horse Big Game won the Coventry Stakes, and Sun Chariot won the Queen Mary Stakes for fillies, thereby virtually establishing themselves as the outstanding two-year-olds.

Not since Lilliefont won at Ascot for King George V have there been such enthusiastic demonstrations. Cheering and hand-clapping began when the King's colt was 1½ furlongs from home. Sun Chariot, daughter of the former Derby winner Hyperion, got home in a thrilling finish to beat Lord Glancey's Perfect Peace by a head to provide an exciting climax to a hard-fought race.

There was no cheering until the number went into the frame, owing to the uncertainty of the result.

It was the first time for many years that the Royal colours were twice successful in the same afternoon. It was the King's eighth winner this season.

Successful Jockey
HARRY WRAGG, who rode both winners, also rode Sir Hugh Cunliff Owen's Finis to victory in the Gold Cup over 2½ miles, beating Miss Dorothy Paget's Olden by a head, with the Aga Khan's Winter Halter only a neck behind.

"Coupon" Meeting
It was "a" day for the King and judging by the sober atmosphere of the meeting no one could have imagined it to be Gold Cup Day.

Fewer women were seen and it was obvious that none of them were willing to waste precious coupons on a special Ascot outfit which would have cost 10 coupons.

There were a few toppers and morning coats, and motorists evidently had heeded the warning against petrol wastage for there were fewer than 500 cars in the car park available for 2,000.

Summer Foursomes At Happy Valley

The following were the results of second and third round matches in Royal Hongkong Golf Club's First Summer Foursomes Competition at Happy Valley:

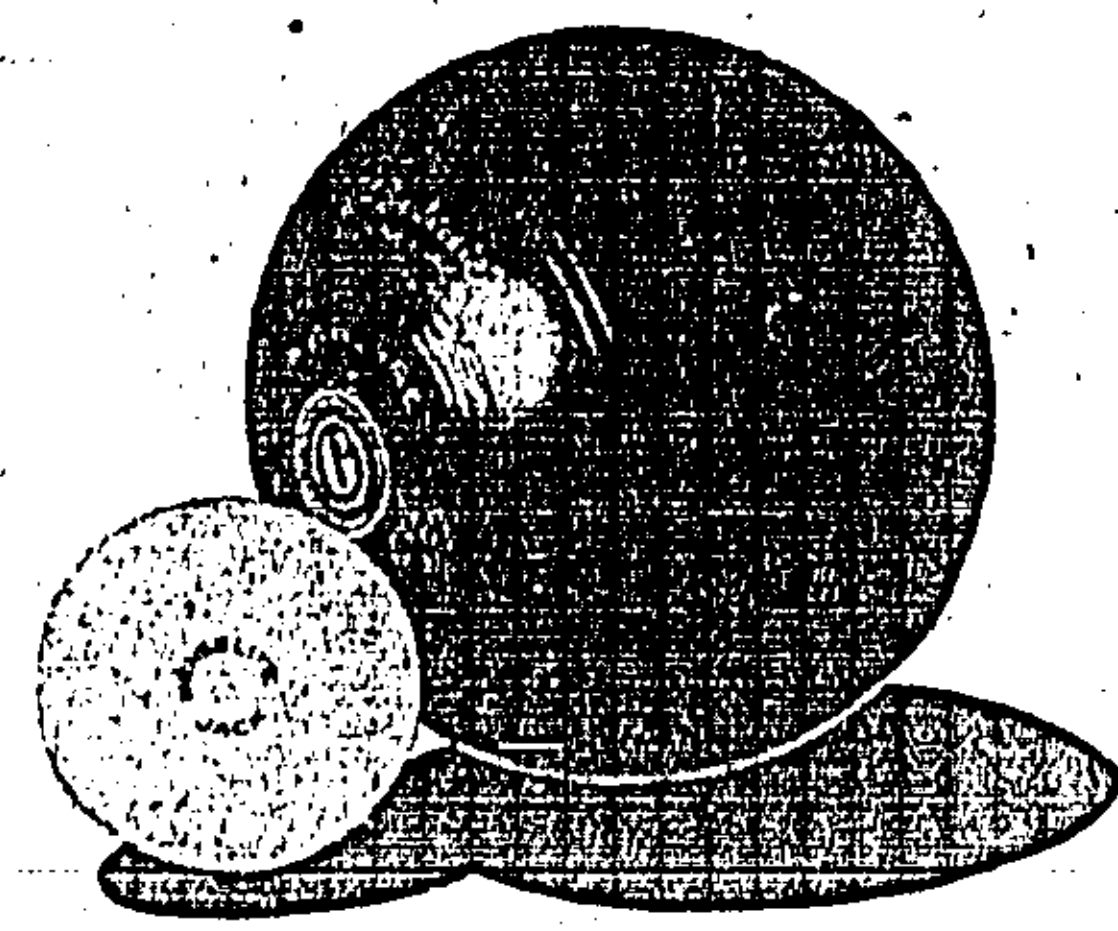
Second Round.—Willerton and Price received a walk-over from Bowker and Simpson; Barry and Ahern beat Bellamy and Greaves five and four; MacFayden and Muir beat C. E. Moore and Leo one up; Powell and Buller beat Forrest and Anderson five and three; Mundy and Stoker beat A. K. Mackenzie and Matthews two and one; Dennis and Hillier received a walk-over from J. Young and G. M. Park; H. Smith and Greenwood received a walk-over from W. A. Stewart and T. Low; T. B. Low and H. K. Collings beat A. H. Penn and T. Collie four and three.

Third Round.—Willerton and Price v. Barry and Ahern to play; Powell and Greaves beat MacFayden and Muir four and three; Dennis and Hillier beat Mundy and Stoker; Low and Collings beat Smith and Greenwood at the 19th.

THE NEW FRENCH REMEDY: THERAPION No. 1 THERAPION No. 2 THERAPION No. 3

Id. 28151.

"Henselite"
UNI-DISC



The
'Absolute' in Bowl Production
AND
CHOICE
OF THE
CHAMPIONS
INSPECTION CORDIALLY INVITED
SPORTS DEPT.

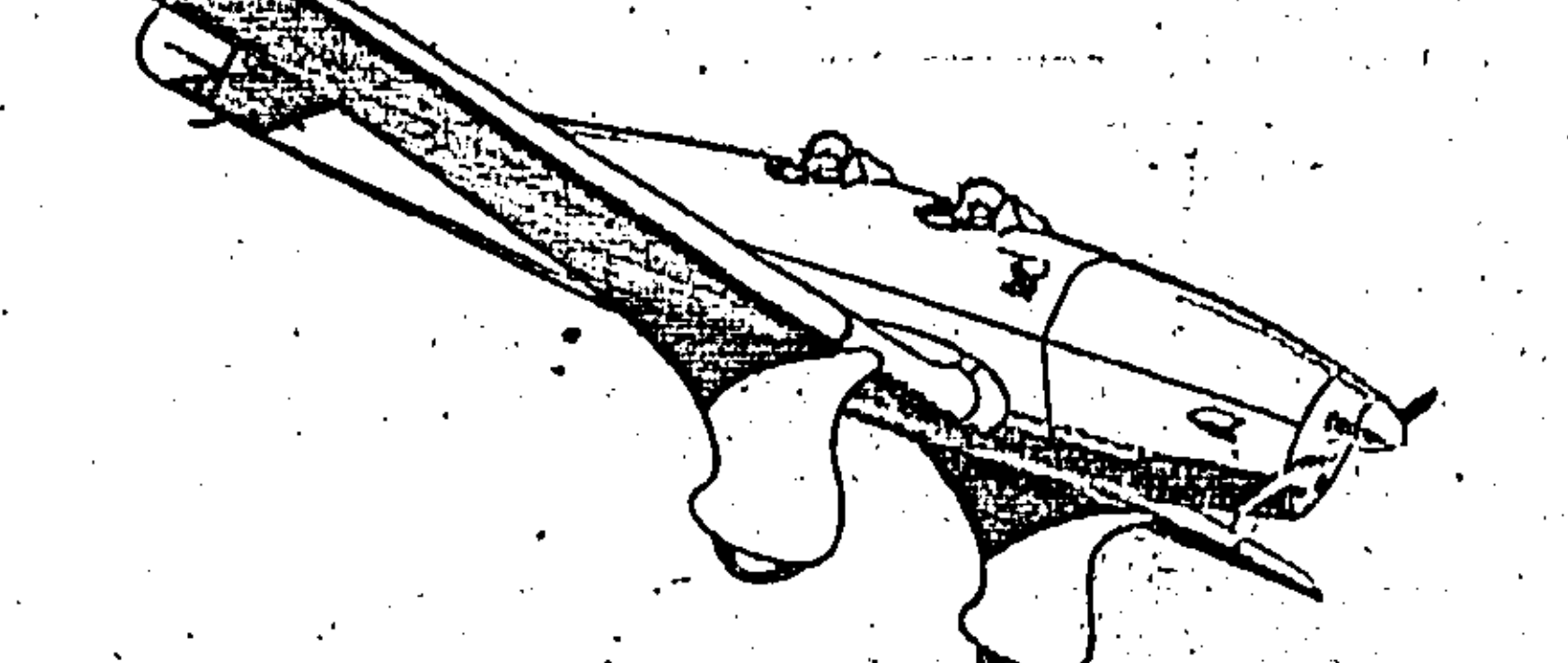
LANE CRAWFORD'S
The House of Quality & Service



STOUT FELLER

"Where are you going with that axe?"
"I'm going to do a little deforestation, Bertie. There's a tree outside I've taken a dislike to. I shall fell it with one fell swoop."
"Rather early in the morning for tree felling, isn't it?"
"The early woodcutter gets the first tree, you know. Besides—it's an ugly tree. There is something offensive about that tree. Come to think of it, it rather reminds me of you, Bertie."
"Well—I must confess I didn't expect to see you chopping trees this morning and smoking a whacking big black cheroot. Not after last night..."
"I don't like the way you say 'not after last night.' I detect a certain envy in the tone—a certain undercurrent of bitterness. You ought to be overjoyed to see me absolutely bristling with joy-de-vivre."
"I merely marvel at your powers of recovery."
"You needn't, Bertie. It's all due to Rose's Lima Juice, you know. Prevents mornings after the night before. Just the thing before you go to bed. And now, Bertie, with your permission I'll step out and deal our unsuspecting arboreal friend a couple of shrewd cracks with my little axe."

LEARN to FLY or train to be an AIRCRAFT ENGINEER



Flying Instruction can start at any time

For Prospectus apply to:—
FAR EAST FLYING TRAINING SCHOOL LTD.,
KAI TAK AIRPORT
Phone 59282

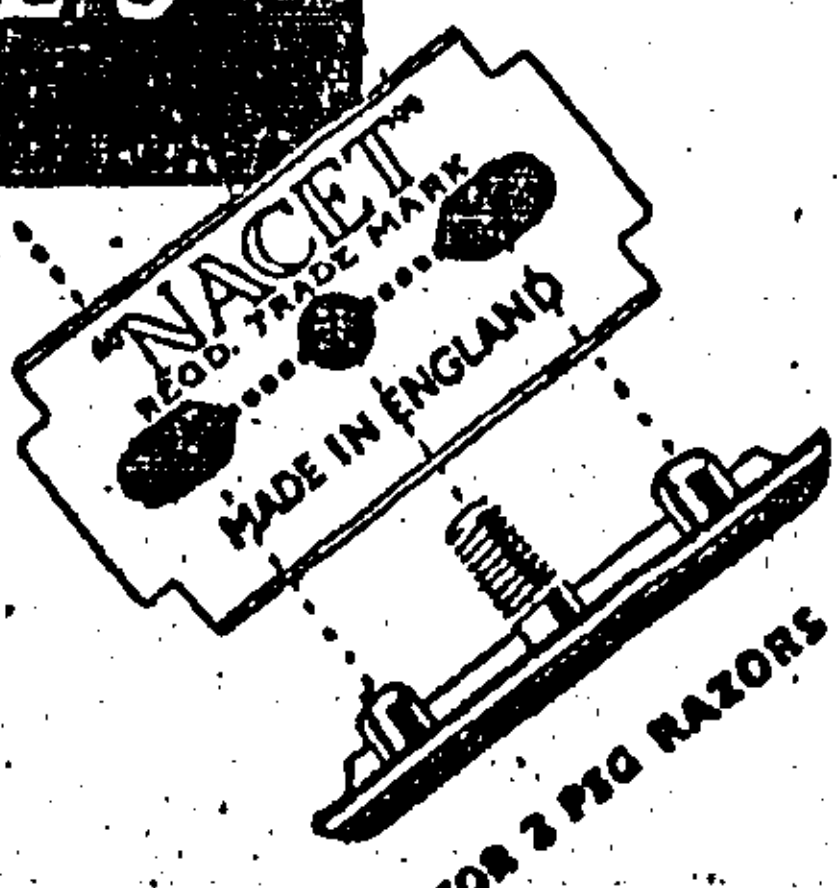
Hongkong Benevolent Society

Room—11, Ico House Street

The Society's Room will be open on
MONDAYS & THURSDAYS
from 10 A.M. to noon

NACET BLADES

Satisfactory shaving demands speed, comfort and a smooth result. Nacet Blades give you all three—at an amazingly low price. You will be surprised, too, at the number of shaves you will get from each blade.



Tel. 26379.

LINKS

TO-DAY, ONE DAY ONLY At 2.30, 5.10, 7.15 & 9.30 p.m.

China Motion Picture Corporation
presents

"BAPTISM OF FIRE"

War-time China's Greatest Screen Achievement!
TRUE SCENES OF CHUNGKING'S BOMBARDMENT!
FILLED WITH ROARS AND THRILLS!
THE REAL FACTS OF THE INTERNAL
STRENGTH OF FREE CHINA!

TO-MORROW

BRIGHAM YOUNG

Starring TYRONE POWER - LINDA DARNELL - DEAN JÄGER
A 20th Century-Fox Picture

ORIENTAL

LAST FOUR TIMES TO-DAY

THE SEASON'S SURPRISE COMEDY EVENT!
You'll rock with laughter and howl with glee
as this all star cast of comedians take you on
a merry chase of cops, crooks and funnymen.

THAT SANDY MAN IS A LADY!

BABY SANDY
BUTCH and BUDDY

SANDY IS A LADY

with TOM BROWN - HAN GREY
MISCHA AUER - EUGENE PALLETTE
BILLY GILBERT - EDGAR KENNEDY

STARTING TO-MORROW

DEANNA GOES GLAMOROUS FOR THE FIRST TIME!

DEANNA DURBIN "Nice Girl?"

MATINEES: 30c, 40c. EVENINGS: 30c, 40c, 55c, 70c.

4 SHOWS DAILY AT 2.30, 5.20, 7.20 & 9.20 P.M.

TO-DAY ONLY

Fred Astaire
Ginger Rogers

in "TOP HAT"

TO-MORROW

Charles Laughton

"HUNCHBACK OF
NOTRE DAME"

LEE THEATRE

— COOLING SYSTEM —
TO-DAY ONLY At 2.30, 5.00, 7.20, 9.30 P.M.
BOOKING AT WHITEWAYS

SO MIDS OUR NIGHT

MARCH - SULLIVAN - DEE
GLENN FORD - ANNA STEIN - ERICH VON STROHEIM

STARTS TO-MORROW

SOUTH OF PAGO PAGO

Baron's Court PRIVATE HOTEL. TEL. 58921
23-25 Nathan Rd., Kowloon.
RESIDENTIAL HOTEL - QUIET LOCALITY - THREE MINUTES TO
FERRY - GOOD FOOD - DAILY and/or MONTHLY RATES - SPECIAL
RATES TO FAMILIES - PUBLIC DINING ROOM AND LOUNGE.
Special Tiffin \$1.20
Under European Supervision.

Russians Preparing Counter-Offensive

→ FROM PAGE ONE

bombing enemy tank troops in the Dvinsk and Minsk sectors.
Nazi Lose 102 Planes
According to precise calculations, 102 enemy aircraft were brought down on June 30, and not 50 as previously reported.
In addition to one aerodrome, our air force successfully attacked some 50 aeroplanes which had no time to take off.
On July 1, 54 enemy aircraft were downed. Twenty-two of our planes failed to return.
In a summary of the Russo-German military on the eastern front, "United Press" reveals that the fighting continued yesterday with unprecedented fury, with neither side as yet being able to strike a decisive blow.
The Germans claimed indefinite progress towards Moscow, Leningrad and Kiev.

Russian Denial
However, the official spokesman in Moscow declared that the Russians had wiped out the advance German panzer units and that the Soviets could guarantee that Hitler would never win the war.
M. Lozovsky, the Vice Foreign Commissar, denied German claims that Tiflis and Minsk had been occupied by Nazi troops, adding that the abandonment of this or that city in view of strategic considerations was not important so long as the main forces of the army were preserved.

Heavy Nazi Losses
ZURICH, July 2 (Reuter).—Stressing the violence of the fighting on the Russian front, the Berlin correspondent of the Swiss newspaper "Nationale Zeitung" says that the Russians at many points are fiercely engaging and causing heavy losses to the German forces advancing to the support of motorised troops which have pierced the Russian lines in the Minsk sector.

Foreign military circles in Berlin, it is stated, are wondering whether the Soviet military leaders have not discovered a new tactical method of dealing with the German advance.

Nazi Communique
LONDON, July 2 (Reuter).—The German Command to-night issued an announcement—dated from the Fuehrer's headquarters—claiming a "decision of great importance" in the battle east of Bialystok, where large Soviet forces are stated to have been surrounded.
The announcement states: "It is becoming more and more clear that the battle of annihilation east of Bialystok has resulted in a decision of the greatest importance for world history."
"Frightful" chaos has overtaken the Soviet Army.

Capture Claimed
The announcement then lists the alleged Soviet losses there and on other sectors of the front from June 22 to July 1 as 5,774 armoured cars, 2,330 guns and anti-aircraft guns, four armoured trains, an innumerable quantity of machine-guns and rifles, 4,725 planes and 100,000 prisoners.

"With the stubborn resistance put up by the Soviet forces and their determined efforts to break through, the number killed will be many times higher than the prisoners," concludes the announcement, adding, "Our own losses on the whole remain fortunately small."

Compulsory A.R.P.
LONDON, July 2 (Reuter).—Compulsory air raid precautions training for all Russian citizens of 16 to 50 is decreed by the Council of the People's Commissars, according to Moscow Radio.

Parachutists Seized
STOCKHOLM, July 2 (UP).—Radio Tallinn to-day reported that hundreds of German parachutists were captured in Estonia yesterday and to-day. It announced that the entire population of Estonia has been ordered to be their guard against enemy parachutists.

Anti-British Actions In Occupied China

→ FROM PAGE ONE

Secretary make more energetic representations.

Japanese Complaints
Mr Eden replied: "I am in entire agreement with Sir John's premise of the situation. This is all wrapped up in the general position with Japan. The Japanese have complained to us about economic restrictions which they alleged we have imposed on them and there can only be one reply. Until these matters are settled, we can do nothing to help them."

Sir John asked the Foreign Secretary whether he was aware that under the policy of the Japanese Asia Development Board, all Japanese yen currencies are to be gradually excluded in private and commercial transaction between the north and central China; whether in consequence of this policy the Chinese national currency and sterling would be prohibited; and what steps he was taking to prevent this interference with the freedom of trade.

Currency Matters
Mr Eden replied that the British Government was aware of the restrictions placed by the Japanese on the use of the Chinese national currency in areas occupied by them and frequent protests were made to the Japanese Government about the injury caused to British interests.
"I also remind the member of the financial assistance given to the Chinese Government in support of the Chinese national currency. Sterling is not one of the currencies in use in China and the question of prohibition does not arise."

Confirmation of the arrival of the brigantine Our Lady of Peace in Mingo was received from the Portuguese Colony yesterday. The craft arrived there at 11.30 a.m. on Monday.



COMMONS BLASTED—British wrath flamed when Nazis blasted famed Westminster Abbey and Parliament buildings. Cable picture from London shows wreck of Commons Chamber, after a Nazi bomb scored a direct hit.

Chungking Gives Envoys Passports

→ FROM PAGE ONE

meeting, and also formally received Sir Archibald Clark Kerr, the British Ambassador; M. Alexander Panoussis, the Russian Ambassador; and Mr Clarence Gauss, the United States Ambassador between 4 and 5.30 p.m.

Dignified Declaration
CHUNGKING, July 2 (Central News).—Dr Quo Tai-chi, Minister of Foreign Affairs, issued the following statement to-night, announcing China's severance of diplomatic relations with Germany and Italy on account of their formal recognition of the Nanjing puppet regime.

"Recognition of the puppet regime in Nanjing by the German and Italian Governments amounts to an extension of their aggressive policy to the Far East and proves beyond doubt that these countries have unreservedly cast their lot with China's enemy."

"Knowing as they do that the Nanjing puppet regime is but a creature of the Japanese militarists, the Nazi Government of Germany and the Fascist Government of Italy in according recognition thereto have committed a gross injustice to China and have thereby forfeited any claim to friendship of the Chinese Government and people."

Aggression Made Clear
"The step thus taken by these Axis Powers has made it abundantly clear that the forces of aggression have been further consolidated into one bloc bent on the destruction of human freedom and civilisation."

"It is, however, gratifying to note that these evil forces are being heretofore and resolutely opposed and resisted by a group of Powers which, having steadily increased in number and in strength are drawn even closer by their love of peace and freedom in the face of a common menace."

China's Proud Role

"China is proud of her record and role in this anti-aggression crusade. Despite unprecedented difficulties, China has consistently observed good faith in all her international dealings. China is determined to continue the struggle in close co-operation with her friends till our common cause is vindicated."

"In pursuance of the official declaration repeatedly made on previous occasions the Chinese Government now declares that China's diplomatic relations with Germany and Italy are hereby severed."

R.A.F. Wins New Air Battle

→ FROM PAGE ONE

6 p.m. of bombs being dropped in any part of the country.

Evening Patrols

LONDON, July 2 (Reuter).—Giving further details of the R.A.F. sweep over Northern France this afternoon, an Air Ministry communique says that 18 enemy fighters were destroyed—16 by fighters and two by bombers.
The R.A.F. lost two bombers and eight fighters.
R.A.F. fighters carried out offensive patrols over Northern France this evening without incident.

STORMS IN INDIA

BOMBAY, July 2 (Reuter).—After a 30-hour interruption due to torrential rains, telegraph communication between Bombay and other parts of India has been restored.

Tokyo Statement No Guide To Next Move

→ FROM PAGE ONE

neutrality in the current German-Soviet war, was expressed by Mr Sekki Yano, Japanese Consul-General here, at an interview after his return to the Colony from Japan on the Shirogane Maru via Canton on Tuesday afternoon.

"The Soviet Union is exempted from the three-Power pact while the Japanese-Soviet neutrality pact is in force. I think Japan will observe neutrality," Mr Yano said.
Mr Yano who has been to Japan on leave of absence reached Canton from Shanghai by air on June 29 and sailed aboard the Shirogane Maru from Canton on June 30. The ship spent a night at Bocca Tigris on its way to avoid the gale and arrived in the Colony on Tuesday afternoon.

Press Comment

TOKYO, July 3 (Reuter).—While commending the authorities for arriving at a quick decision on Japanese policy to cope with the new international situation arising from the Russo-German war, the newspapers, "Nichi Nichi Shimbun" and the "Hochi Shimbun," stress that the turning question now is whether the leaders of Japan are prepared to display the requisite degree of resolve, expedition and determination to translate the programme into deeds.

The "Hochi Shimbun" says that the Russo-German bombshell is an even more sensational shock than the announcement of the Russo-Japanese Non-Aggression Pact, and says that the need for boldness is apparent since Japan is now virtually isolated from her Axis ally. Consequently Japan must rely upon self-help for a solution of the crisis.

The "Yomiuri Shimbun" discussing the Anglo-American reaction to developments, says that the United States has sufficiently clarified its attitude through brazen acts of war, such as aiding General Chiang Kai-shek, closing the Panama Canal and strengthening warlike preparations from Singapore to the Dutch East Indies and Australia.

Moscow Waits

MOSCOW, July 2 (Reuter).—Answering questions to-day, M. Lozovsky, Vice-Chief of the Soviet Information Bureau, said that it was too early to comment on to-day's declaration of Japanese policy.
He added: "The position remains the same as when Mr Matsukata was here and there is no ground for change."

Fighting In Syria

→ FROM PAGE ONE

heavy attack on the barracks at Palmyra aerodrome, and obtained several hits on both targets.

The fort and citadel at Soueida were also hit by a number of bombs. The aerodrome at Aleppo was repeatedly bombed and machine-gunned. Fires were started among dispersed aircraft, at least one of which was destroyed and a number of Bloch aircraft were badly damaged by machinegun fire.

Beirut Harbour

During the night of June 30 and July 1, R.A.F. bombers carried out an attack on the harbour and shipping at Beirut. Hits were seen on the main docks and central quays and near ships, which are believed to have been damaged.

One Messerschmitt was shot down yesterday (in addition to those reported in yesterday's communique as having been destroyed) while attempting to attack ships off the Crenica coast.
From all operations our aircraft returned safely.

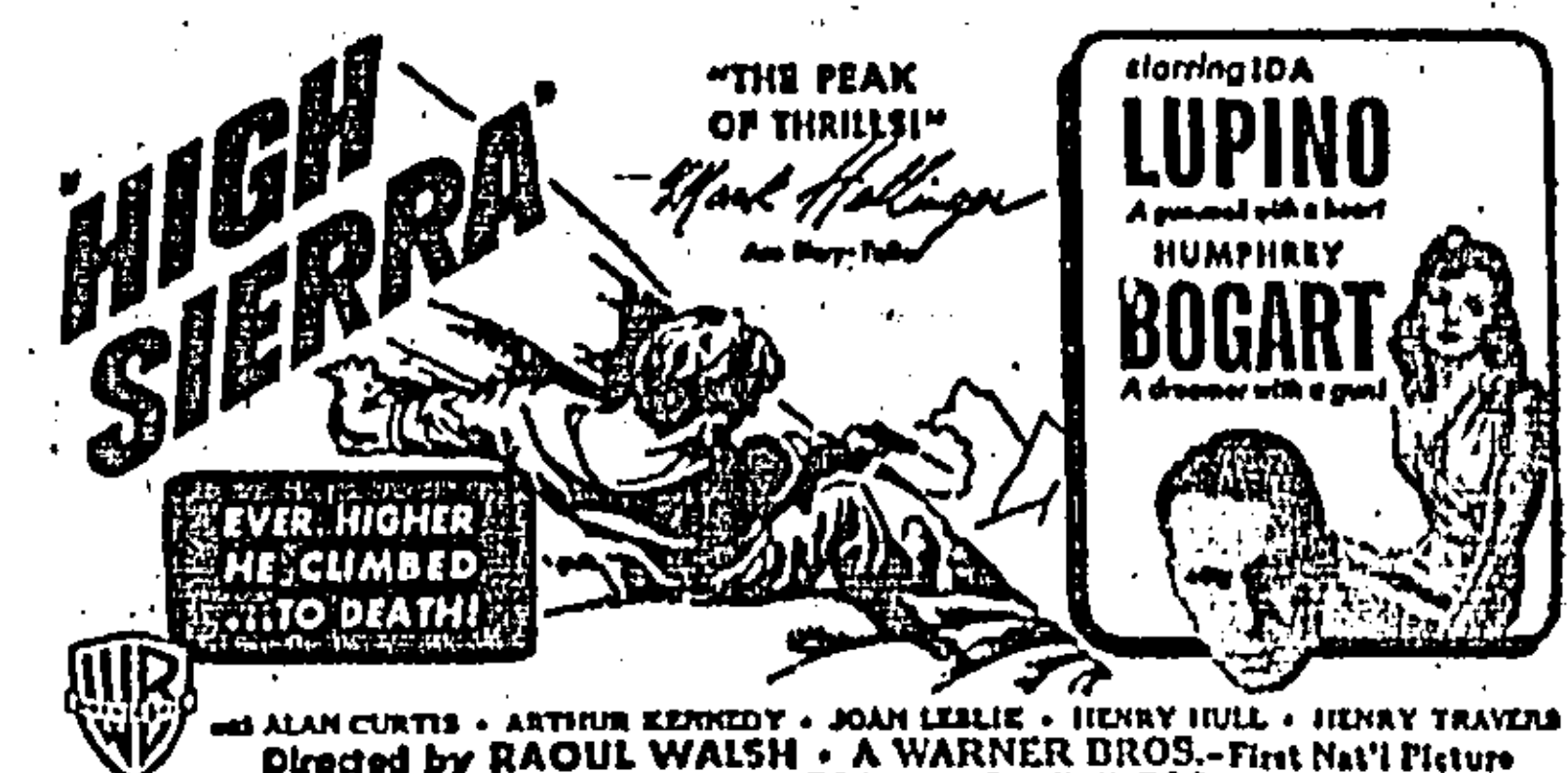
New places are springing up everywhere. But for best service and quality none can compare with your Old Favourite Restaurant.

THE CHANTECLER
TRY OUR POPULAR \$1.00 TIFFINS
Served in the Snack Bar

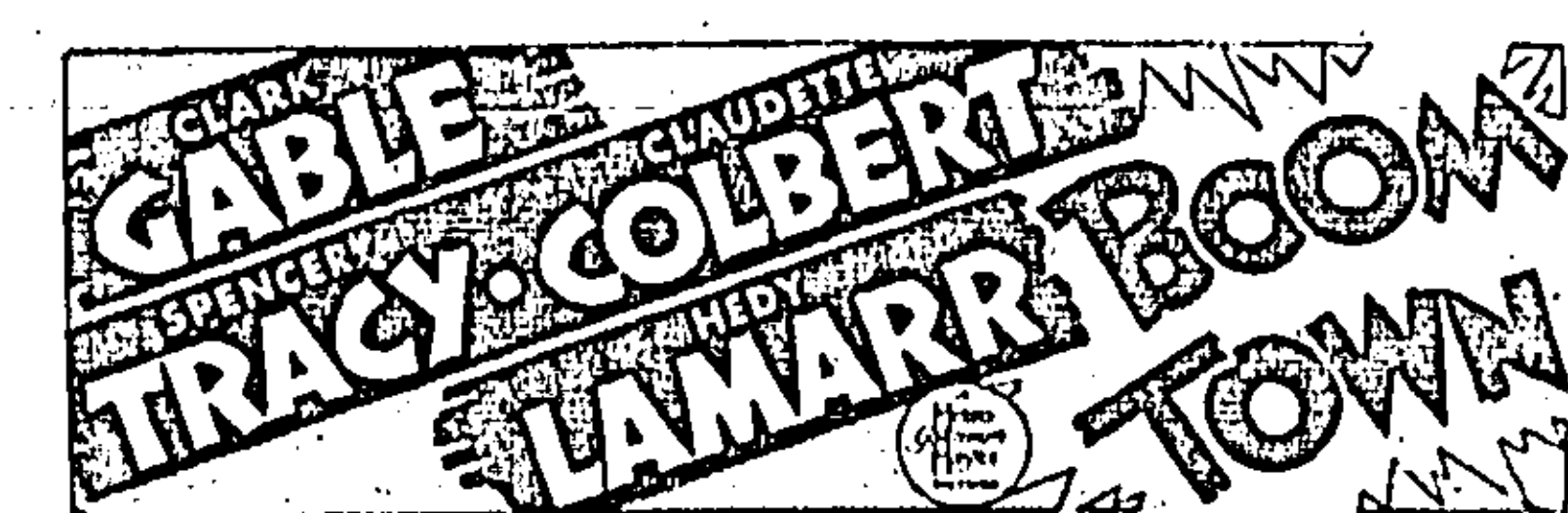
QUEEN'S & ALHAMBRA

AT 2.30-5.15-7.20-9.30 TEL. 51453 • AT 2.30-5.20-7.20-9.30 TEL. 56856

• FINAL SHOWINGS TO-DAY •



TO-MORROW



CATHAY

TO-DAY, ONE DAY ONLY! • THE GREATEST MUSICAL OF ALL TIME!

The World's Dancing Sweethearts in
Their Greatest Show of All!

IRENE DUNNE
FRED ASTAIRE GINGER ROGERS

in
"ROBERTA"
An RKO RADIO Picture

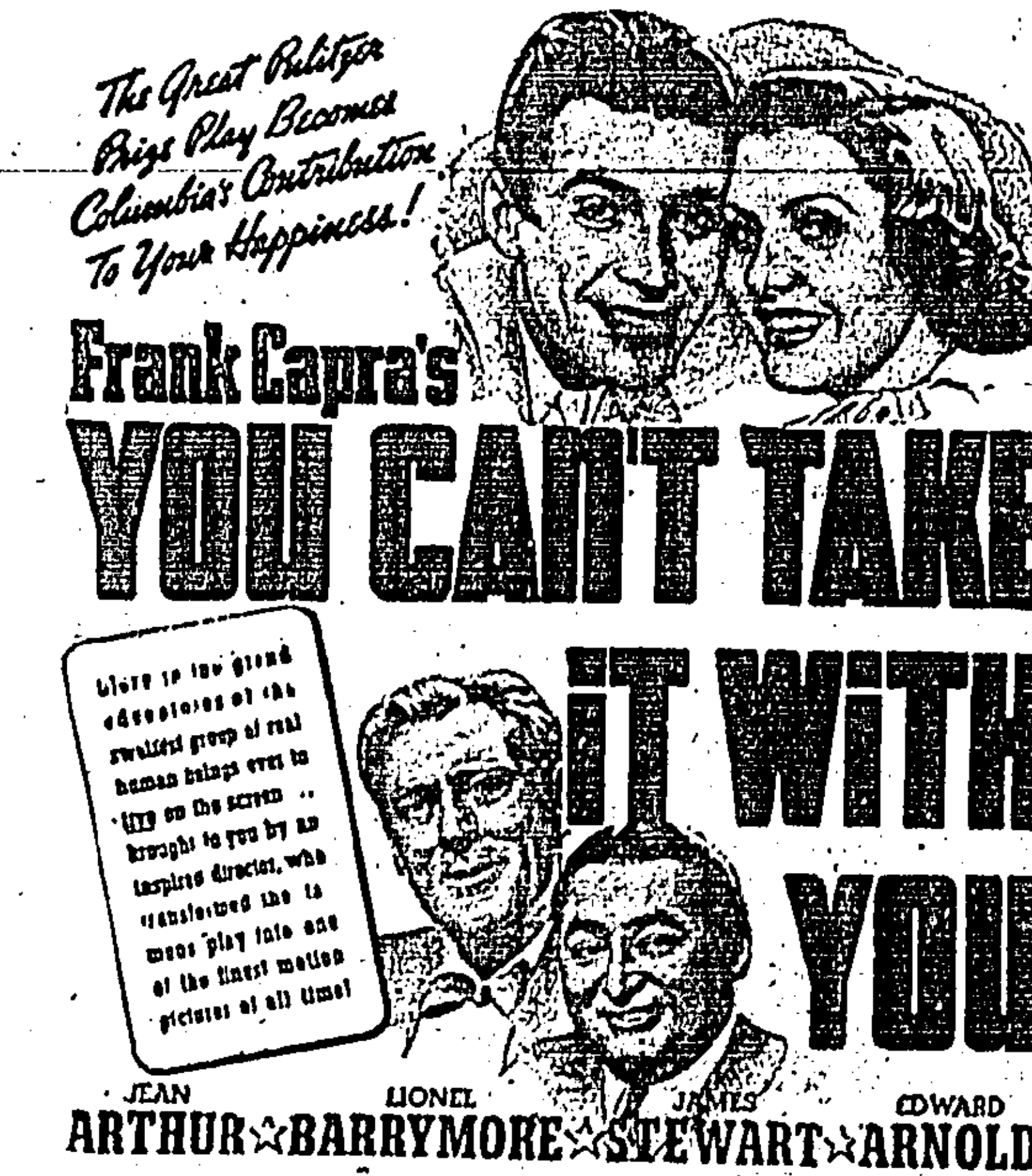
TO-MORROW Myrna Loy, Melvyn Douglas in
M-G-M Picture "THIRD FINGER, LEFT HAND"

MAJESTIC THEATRE

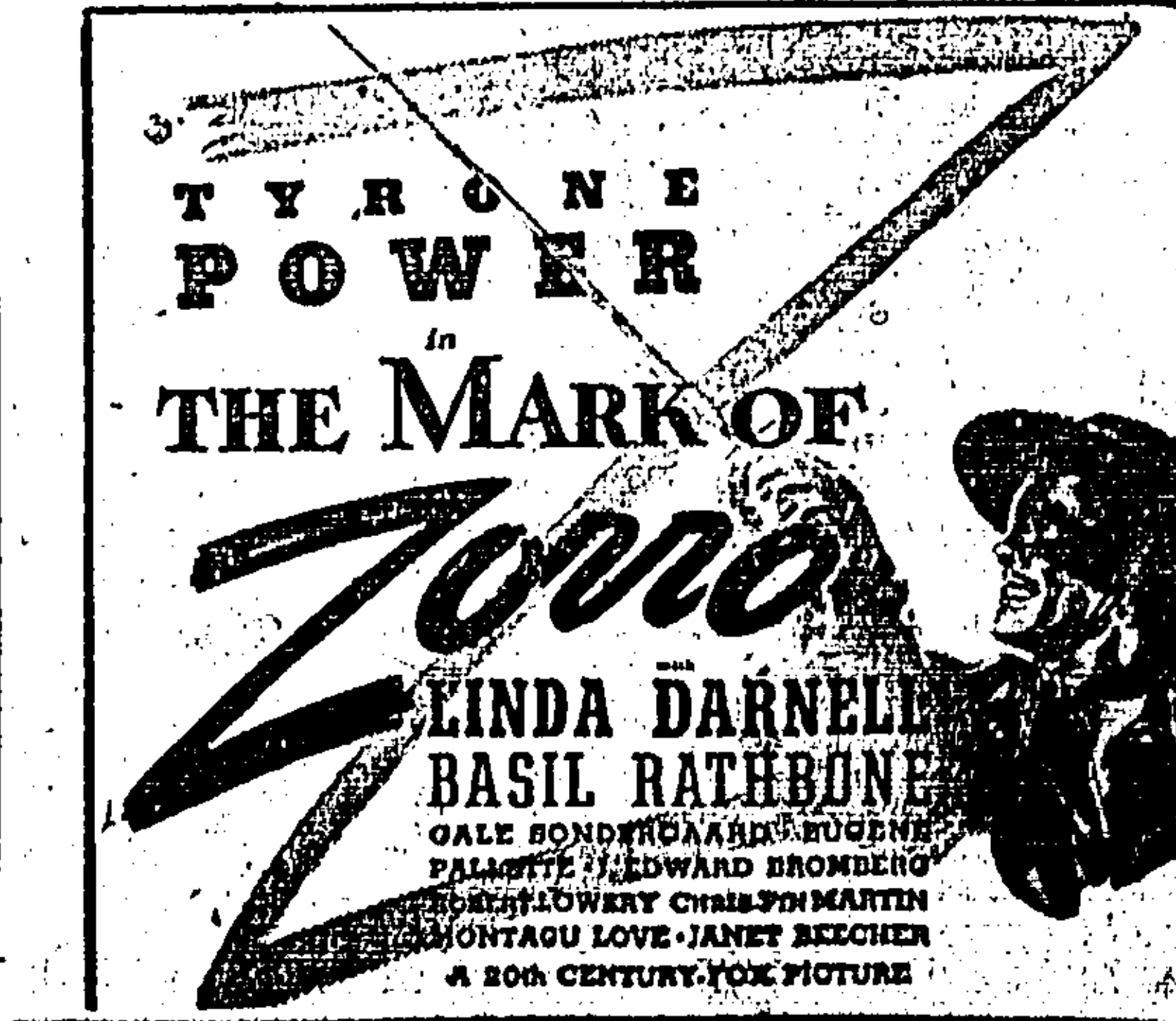
MATINEES: 30c-40c. EVENINGS: 30c-40c-60c-70c.

• TO-DAY, ONE DAY ONLY •

Return Showing By Popular Demand!
THE ACADEMY AWARD WINNER!



• COMMENCING TO-MORROW •
THE GREATEST ADVENTURE PICTURE OF THE YEAR!



MORRIS COMMERCIAL
TRUCK
1930 Model
Now painting and overhauled
One Ton Truck
For further particulars
apply to
FAR EAST MOTORS
PHONE 59101

Dollar T.T.—1s. 2/4 Hongkong Telegraph
The Morning Post, Ltd.,
Lighting, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

The Hongkong Telegraph

FOUNDED 1861
No. 16500

四拜禮 號三月七英港香

THURSDAY, JULY 3, 1941.

日九初月六

SINGLE COPY 10 CENTS
\$30.00 PER ANNUM

JUST RECEIVED A SELECTION OF
Berlei Brassieres
"True-to-type"
Junior bust. Uplift. Lace
with net lining.
Price \$3.95
Medium full bust. Satin and
Lace, uplift.
Price \$3.50
Full figure bust. Satin and Lace
with 2 inch bandeau.
Price \$6.95
WHITEAWAY'S

NAZI DRIVE AGAINST MOSCOW STUBBORNLY RESISTED BY SOVIETS

Special to the "Telegraph"

MOSCOW, July 2 (UP).—GERMAN PANZER COLUMNS ATTEMPTING A MAJOR BREAK THROUGH TO MOSCOW ARE MEETING WITH FIERCE RESISTANCE AT BORISOV, 50 MILES EAST OF MINSK, ON THE OLD NAPOLEONIC ROUTE TO THE CAPITAL, ACCORDING TO TO-NIGHT'S COMMUNIQUE.

IT IS ADMITTED THAT THE GERMANS HAVE PENETRATED BEYOND MINSK TO BORISOV AND BOBRUISK, 85 MILES SOUTHEAST. STUBBORN FIGHTING BETWEEN LARGE MOBILE UNITS IS REPORTED TO BE PROGRESSING AT EACH PLACE. THERE IS NOTHING TO INDICATE THAT THE RUSSIANS HAVE EVACUATED MINSK (THE GERMANS ANNOUNCED THAT MOBILE UNITS HAD PASSED AROUND IT).

Chungking Gives Nazi And Italian Envoys Their Passports

Special to the "Telegraph"

CHUNGKING, July 2 (UP).—The German and Italian Embassies to-day were handed Dr Quo Tai-chi's statement breaking off diplomatic relations, as well as their passports and the promise of safe conduct as far as the Indo-China border.

FIGHTING IN SYRIA

Vichy Tanks Wiped Out

CAIRO, July 2 (Reuter).—About two-thirds of the Vichy tanks which took part in the unsuccessful counter-attack at Nebek were destroyed by Allied tanks and anti-tank guns.

The position recaptured by the Allies at Palmyra lies north of the oasis.

Newly-arrived British reinforcements added the operation. There is no sign of a Vichy attempt to relieve the enemy beleaguered in Palmyra.

Support By R.A.F.

CAIRO, July 2 (Reuter).—R.A.F. activity in Syria forms the subject of to-night's R.A.F. Middle East communique, which gives details of attacks on aerodromes, vehicles, barracks, stores and buildings at various places, including Palmyra, Aleppo, Beirut and the fort and citadel of Souaida.

The R.A.F. lost no planes.

Destruction From Air

CAIRO, July 2 (Reuter).—Air-attack of the R.A.F. and Australian R.A.F. carried out a number of attacks on aerodromes and other

TURN TO Back Page, Column 5

HOSPITAL SHIPS ATTACKED

Huns True To Form

SPECIAL TO THE "TELEGRAPH"

LONDON, July 2 (UP).—Citing 31 "deliberate and flagrant attacks by aircraft and shore batteries on British hospital ships and carriers" since last year, and a number of recent attacks on British hospital ships in the Mediterranean, the Admiralty to-day announced that the Italian hospital ship Ramb IV has been detained and will be employed as a hospital vessel for the transport of British and enemy sick and wounded "for a minimum period of six months in replacement of one of those damaged by the enemy's willful action."

Meanwhile, His Majesty's Government is satisfied that the enemy have not only a firm intention of refraining from further attacks on British hospital ships, but also the power to ensure that their intentions are carried out; then the return of the Ramb IV will be considered.

The Ramb IV has been held since she was intercepted off Aden after the fall of Mussawa.

Joint German and Finnish thrusts across the long northern front towards Murmansk and Dorn on the Karelian Isthmus towards Leningrad are meeting with heavy resistance.

Germany's greatest effort to break through appeared to be in the triangular section of White Russia east of Minsk. The apex of the equilateral triangle is at Borisov, the southwestern tip at Slutsk, 55 miles south of Minsk, and the southeastern tip at Bobruisk, 85 miles southeast of Minsk. "There is fierce fighting between mobile units at Bobruisk, Slutsk and Borisov," the communique stated.

Another gigantic offensive is reported in the Dvinsk region in southern Latvia where a German spearhead is striving to penetrate northeast towards Leningrad which is also threatened by an invasion southward along the Karelian Isthmus.

Berlin Claims

BERLIN, July 2 (UP).—The German High Command to-day hurled fresh forces into the battle as the German offensive "proceeded smoothly along the 2,000 mile front," the authorized military spokesman asserted.

"The newly rested troops that Germany has been able to throw into the lines gave the attackers a telling advantage over the Soviet troops who are fatigued by days of incessant fighting a losing battle."

"The armies of five nations, Germany, Finland, Rumania, Hungary and Slovakia pounded the Soviet forces."

Hitler's Communique

Hitler's headquarters communique stated that the Russians have lost 100,000 prisoners up to July 1, but the killed and wounded are many times this number, adding "German losses, all in all, are happily small."

The Soviet armies which are trapped at Bialystok are in complete chaos. Between June 22 and July 1, the Germans destroyed or took as booty 5,774 tanks, 2,330 guns and anti-aircraft guns, four armoured trains and an uncountable number of machine-guns and rifles.

"It is more and more apparent that the annihilation battle east of Bialystok has brought a decision of world historical proportions, and chaos has been brought out amongst the Soviet armies which had been placed here to attack Germany in the rear and to carry the torch of Bolshevism to Europe."

Hungarians In Action

BERLIN, July 2 (UP).—The official news agency reports that Hungarian troops have contacted the German troops after breaking through the Soviet lines and overcoming Soviet resistance. The Hungarian troops attacked on July 1.

The simultaneous action taken by these states at this particular juncture suggests that the move was prompted by Japan. If Germany has, therefore, acceded to the Japanese request, it is probable that some "quid pro quo" is expected. What shape it will take must be a matter of speculation—it is not disclosed by the Japanese statement of policy.

Consul-General's View

SPECIAL TO THE "TELEGRAPH"
HONGKONG, July 2 (Dome).—The belief that Japan will observe

TURN TO Back Page, Column 4

FULL TEXT OF SOVIET COMMUNIQUE

MOSCOW, July 3 (Reuter).—The following is the text of a communique issued by the Soviet Information Board shortly after midnight:

"During July 2 our troops waged stubborn and fierce battles against enemy infantry in the directions of Murmansk and Kexholm and against enemy mobile troops in the sectors of Dvinsk, Borisov, Slutsk, Bobruisk and Lutsk."

"In other sectors of the front, Soviet troops hold firmly the state frontier against the enemy who attempted to cross it."

"In the direction of Murmansk, our troops are holding up the offensive of the enemy infantry numbering about two divisions against Sredni Peninsula and inflicted a heavy defeat on them."

Karelian Isthmus

"In the sector of Kuolajarvi and on the Karelian Isthmus, our troops are successfully repelling all attacks by the enemy, inflicting heavy losses."

"In the direction of Dvinsk in the second half of the day, big battles were engaged in between our troops and the enemy."

"In the directions of Borisov, Slutsk and Bobruisk, severe fighting

TURN TO Back Page, Column 5

Attack From Latvia

Threat To Taglian
SPECIAL TO THE "TELEGRAPH"
STOCKHOLM, July 2 (UP).—The Latvian radio at Kuldiga announced to-day that German troops from Latvia are advancing very rapidly in the direction of Taglian.

This afternoon, Radio Tallin reported that numerous German paratrooper troops landed in a district of the city of Wenden, northeast of Riga and also in the district of Dorpat, Estonia.

Kuldiga, which the Germans occupied yesterday, announced that German troops are advancing along the railway leading to Pytalovo. Other German troops are advancing along the railway from Dvinsk towards Pytalovo. It is expected that these two groups of German troops will soon join in Pytalovo from where they will probably try to push forward along the railway to Leningrad.

Occupation Report
STOCKHOLM, July 2 (UP).—The "Allehand" publishes unconfirmed reports that the Lahti Radio announced that German troops have

TURN TO Back Page, Column 5

Royal Princesses At Home

This latest official photograph presents a charming study of Princess Elizabeth and Princess Margaret Rose. It shows Princess Elizabeth enjoying a book while her younger sister sits in repose on a footstool, with their favourite dog, Jane, between them. The photograph was taken in their playroom.



R.A.F. Wins New Air Battle Over Northern France and Raids 'Drome

LONDON, July 2 (Reuter).—Strong fighter forces of the R.A.F. accompanied Blenheim bombers which this afternoon attacked the enemy aerodrome at Merville near Lille, where bombs were dropped on the runway, buildings and among dispersed aircraft. The railway junction southeast of Lille was also bombed.

These attacks were pressed home in spite of heavy opposition from the ground defences and a large number of enemy fighters which attempted to interfere in the operations.

These were beaten off with heavy losses. So far 17 are known to have been destroyed, R.A.F. bombers accounting for two of them.

The Eagle Squadron (American squadron) is credited with three of the enemy fighters shot down. Two R.A.F. bombers and seven fighters are reported missing.

Lull Over Britain

LONDON, July 2 (Reuter).—The daylight raid lull over Britain continues. TURN TO Back Page, Column 5

Auchinleck Takes Over Mid. East

CAIRO, July 2 (Reuter).—General Sir Claude Auchinleck, the new General Officer Commanding-in-Chief, Middle East, is already in Cairo which he reached from India.

Captain Lyttelton

LONDON, July 2 (Reuter).—Captain Oliver Lyttelton, headquarters will be in Cairo. "Reuter's" Lobby Correspondent understands.

As his civil work will include the dissemination of information and other political activities from the British side, those activities will be carefully designed not to touch Egyptian domestic affairs or the normal relations of Sir Miles Lampson, the British Ambassador with the Egyptian Government.

Cairo has been chosen as an obviously convenient centre for Captain Lyttelton's work which at no time will be allowed to overstep the line of Egypt's position as a sovereign state.

Haining Appointed

LONDON, July 2 (Reuter).—The War Office announces that General Sir Robert Haining has been appointed Intendant General of the Middle East.

It is understood that the appointment was made because it was felt that a very senior officer was required in the Middle East to deal with the complicated administrative problems which were bound to arise.

The appointment takes effect from May 10.

when he was transferred to Hongkong. He passed through Singapore last month on his way to Australia to take his wife and family back to Hongkong.

Anti-British Practices In Occupied China

LONDON, July 2 (Reuter).—In the House of Commons to-day Mr I. C. Hannah asked the Foreign Secretary whether he had yet received a report regarding the declaration by the Chairman of the Peoples' Anti-British Association that no leniency should be shown to anybody openly selling British goods and what action was taken in the matter.

Mr Eden replied that the report received indicates that there is no evidence that the sale of British goods in Peiping was affected by the activities of the Anti-British Association.

Sir John Wardlaw Milne asked whether the Foreign Secretary was aware that all shipping services except Japanese between Shanghai and Ningbo and other ports on the coast of Chekiang Province were banned by the Japanese authorities on the alleged ground of military necessity.

Sir John asked to what extent British shipping companies were affected and what action had been taken to stop this arbitrary discrimination against British trade.

Chekiang Coast Shipping
Mr Eden replied that by the proclamations of July 15, 1940, and TURN TO Back Page, Column 3

FUND EXTENDED

SPECIAL TO THE "TELEGRAPH"

WASHINGTON, July 2 (UP).—The Secretary of the Treasury, Mr Henry Morgenthau and Mr T. V. Soong to-day signed a one year extension of China's \$50,000,000 stabilization fund which legally expired on June 30.

LATEST

Sir Hubert Wilkins Coming To Colony

SPECIAL TO THE "TELEGRAPH"

SHANGHAI, July 3 (Dome).—Sir Hubert Wilkins, noted explorer, is now in Shanghai, having been to Hankow and North China in order to study "economic, social and meteorological conditions."

It is understood that Sir Hubert is leaving to-day by coastal steamer for Hongkong, and from Hongkong he will proceed to Singapore and then probably on to Australia. He originally set out on his tour from New York.

Dockyard Workers In Brawl At Shaukiwan

Factional differences between workmen employed at the Taikoo Dock, which have been evident for some time, came to a head to-day when, shortly after noon, a clash occurred immediately outside the East Gate of the dockyard.

Eye-witnesses estimate that between 200 and 300 workmen were involved in the fight, which lasted for about 15 minutes and which at one time looked so serious that the Emergency Unit was summoned from Central Police Station. Police from Shaukiwan and Quarry Bay

districts also assisted to restore order.

No arrests have been made, according to the Police. It is learned that a number of workmen were injured, but none required hospital attention. The trouble is said to be due to friction among the workers themselves and dissatisfaction is said to have been present for some time.

CLASSIFIED ADVERTISEMENTS

25 words \$2.50
for 3 days prepaid

FOR SALE.
FEDIGREE SCOTCH TERRIERS.
Pair pure bred Scotch Terriers, male and female, fifteen months, for sale in aid of the Bomber Fund. Must go together. Please apply Mrs. Hogg, Jockey Club Stables.

THE HONGKONG NATURALIST.
Vol. X nos. 3 and 4. Price \$4 (postage extra). Now on sale at South China Morning Post Ltd.

LOST AND STOLEN

Platinum Wrist Watch

Miss E. M. Parkes of No. 26 Conduit Road has reported to the Police the theft of a platinum wrist watch, valued at \$250, from her residence, between June 30 and yesterday. Mr. F. M. Ellis of 435 The Peak, has reported to the Police, that between July 1 and 2 someone entered his residence through an open window and stole money and a wrist watch to the value of \$100. Quarter master Sgt. Daniel of Royal Engineers, of Black Head Battery, has reported to the Police the loss of electric bulbs and wires, valued at \$120, from vacant rooms in the barracks. The theft of money and a gold ring, valued at \$155, from the China Boarding House, Connaught Road, Central, on Wednesday, has been reported to the Police by Chung Cheong, the owner of the property stolen.

Thief Injured In Flight

With his legs swathed in bandages and supported on crutches, Wong Yip-king, 23, unemployed, pleaded guilty before Mr. H. G. Sheldon, K.C., at Central Magistrate's Court, to stealing \$2 from Li Ming-kan, 40, master of the Yuen Ki Eating House, No. 204 Queen's Road West, on June 10.

Sergeant McLeod stated that after a meal at the shop, defendant went up to complainant's counter, snatched up a ten cent piece from the cash box and ran off. He was chased by felloes into Centre Street, from where he turned into a lane and climbed a ten foot wall from which he fell off fracturing both his legs. He was sent to the Queen Mary Hospital and was discharged only yesterday.

Taking into consideration that defendant had sustained a permanent limp, the magistrate sentenced defendant to one day's imprisonment.

Where Mines Are Adrift

The following information has been received concerning floating mines broken adrift from their moorings and located at:
Lat. 22 degrees 11' N., Long. 113 degrees 59' E., S. W. of Cheung Chau.
Lat. 22 degrees 16' N., Long. 114 degrees 7' E., Sheklong Island.
Castle Peak Bay off the east shore.
Lat. 22 degrees 22' N., Long. 114 degrees 00' E., Sai Lan. One washed ashore.
Lat. 22 degrees 22' N., Long. 113 degrees 59' E., At 18 mile beach. Two washed ashore.
Lat. 22 degrees 23' N., Long. 113 degrees 59' E., Castle Peak Bay. One washed ashore.
Lat. 22 degrees 23' N., Long. 113 degrees 59' E., Lung Kien Tan. Seven washed ashore.
These reports were received by various authorities on July 1.
A mine has been reported to have been washed up on the beach in Tai Ho Wan, which is approximately one mile two cables S.E. of Sheklong Island, Hongkong Island.

Danger In Tsun Wan Bay

A Notice to Mariners in the Harbour Office states that all craft are warned that several junks and lighters loaded with petrol are anchored in the Tsun Wan Bay. Dangerous Goods. No anchor lights will be exhibited by these junks and lighters at night, and all craft are warned to exercise great caution when navigating in this vicinity.

BRITISH WAR ORGANISATION FUND

Help Bombed Civilians in Britain

Old clothes of all descriptions are badly needed for Men, Women and Children in the Bombed Areas in Britain. Such gifts will be received by the B. W. O. F., c/o Government House, during office hours, Mondays to Fridays from 9.30 a.m. to 4 p.m., allowing for Lunch Interval and Saturdays from 9.30 a.m. until 1 p.m.

NEW ADVERTISEMENTS.

THE INDO-CHINA STEAM NAVIGATION CO., LTD.

NOTICE OF GENERAL MEETING

The SIXTIETH ORDINARY GENERAL MEETING of the Company will be held at the Offices of the General Managers, Messrs. Jardine, Matheson & Co., Ltd., Pedder Street, Hong Kong, on Thursday, 10th July, 1941, at noon, for the purpose of receiving the Report of the Directors, passing the Accounts, and electing Directors and Auditors.

The Transfer Books of the Company will be closed from the 3rd July to the 24th July inclusive.

By order of the Board,
JARDINE, MATHESON & CO., LTD.
General Managers.
Hong Kong, 14th May, 1941.

CHANGE OF ADDRESS

Effective immediately the new address of the **EMPIRE SALES COMPANY** is 123 HENNESSY Road. Telephone 23465 (unchanged).

NOTICE

DEFENCE REGULATIONS 1940

The following rates will be charged for mailing single copies of the following newspapers abroad:
South China Morning Post
China and Macao 16 cents per copy
British Empire and Foreign 25 cents per copy
The Hongkong Telegraph
China and Macao 10 cents per copy
British and Foreign 20 cents per copy
25 cents Saturdays.

The Hongkong Telegraph

Eleventh Annual Amateur Photographic Competition

June—September, 1941.
Two Silver Trophies Awarded by ILFORD LTD.

For the best and second-best entries.
Three Silver Trophies Awarded by EASTMAN KODAK CO.

First Prizes in each of the three Sections.
\$250 CASH PRIZES \$250

SECTION ONE

Interior scenes. Table Top and Still Life Studies.
(Excluding portraiture, plants and flowers).

1st KODAK SILVER TROPHY
2nd \$40. 3rd \$30. 4th \$10

SECTION TWO

Portraiture.
1st KODAK SILVER TROPHY
2nd \$40. 3rd \$30. 4th \$10

SECTION THREE

Plants and Flowers.
1st KODAK SILVER TROPHY
2nd \$50. 3rd \$30. 4th \$10

RULES

- The following Rules will govern the Competition:
- The Competition is open to all photographers.
- The entries awarded the Ilford Trophies for the best and second-best pictures in the Competition, will not be entitled to any other prizes.
- The prizes will be awarded to the competitors sending in what are adjudged to be the best photographs in each Section. Each entry must be accompanied by a form which will be published during the period of the Competition, and which must be stamped on back of entry.
- The right to publish any or all of the entries is reserved to the Hongkong Telegraph.
- All photographs entered must have been taken in the Colony of Hongkong. Photographs which have been already entered in other Competitions are ineligible.
- No responsibility will be accepted for non-delivery of, loss of, or damage to entries.
- All entries to be either black and white or tinted pictures, and must be mounted. Coloured photographs are ineligible.
- Pictures submitted in sepia tones should be accompanied by a smaller print in black and white.
- No picture to be entered in more than one Section.
- Mounts to be only white or cream, size—10x12, 10x20.
- No correspondence will be entered into in connection with the Competition.
- Members of the Staffs of the Hongkong Telegraph and the South China Morning Post are not permitted to compete.
- The decision of the Judges shall be final.
- At the conclusion of the Competition, entries will be returned to competitors on application at the Telegraph offices within seven days.
- The use of aliases is strictly forbidden.

ENTRY FORM

NAME
SECTION
ADDRESS

Please use block letters and paste one of these forms on back of each Entry.

C. R.

PARTICULARS & CONDITIONS of the Sale by Public Auction to be held on Monday, the 7th day of July, 1941, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Cheung Sha Wan, in the Colony of Hong Kong, for a term of 75 years, commencing from 1st July, 1898, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT.

Registry No.	Locality	Boundary Measurements	Contents in Sq. feet.	Area in Acres.	Approx. Price
New Kowloon Inland Lot No. 258.	Un Chu Street and Junction of Cheung Sha Wan.	N. S. E. W. feet/feet/feet/feet	as per sale plan.	about 2.00	\$120

The purchaser of the lot will be required to pay to the auctioneer in cash the sum of \$180.00 (being 10% of the upset price) immediately after the fall of the hammer, the balance of the premium being paid in accordance with the Conditions of Sale.

Four Greek Seamen In Court

Disobedience Charge

Four Greek seamen from a ship in the harbour, charged with wilfully disobeying the orders of the master, and with absconding themselves from the ship on June 26, appeared before Cnd T. C. Stiff at the Marine Court this morning, when the case was adjourned until to-morrow for hearing.

Defendants, Nicholas Papadakis, 44, Wireless operator, Nicholas Blatis, 28, 2nd Officer, Michael Tsouprakis, 29, 2nd Engineer, and George Kallitkos, 29, 3rd Engineer, were represented by Mr. J. M. d'Almeida Remedios, who appeared for Mr. M. A. da Silva, who was unable to be present. Mr. D. B. Evans appeared for the Complainant, Captain Michael Magesis, master of the ship.

Objection To Interpreter
Before the interpreter, Mr. Elias N. Malliarakis, could be sworn in, Mr. Evans objected to him by saying that the man was formerly the 3rd Officer on a certain ship from which he had been discharged. Mr. Malliarakis was now Plaintiff in an Admiralty action which was proceeding.

Mr. Remedios said that his clients did not speak English at all, and as the interpreter knew something about the case, would be able to interpret it better than anyone else.

Mr. Evans said that an interpreter had to be obtained, but he strongly objected to the one in Court.

An adjournment was then asked for until Monday by Mr. Remedios, but this was objected to by Mr. Evans, who asked that the ship had been ready to sail but for the present trouble.

Hearing was adjourned until to-morrow morning, and the Police were instructed by the Magistrate to arrange for another interpreter to be present.

Knudsen On Imminence Of Peril To U.S.A.

WASHINGTON, July 2 (Reuter).—A call to the nation for "greater toil and sacrifice that our children may be insured against despotism and slavery" was made by Mr. William Knudsen, United States Defence Chief, to-day in a statement in connection with Independence Day on Friday.

It was wrong, he said, to believe as some did that the Nazi invasion of Russia meant that the danger to the United States had again been averted.

"The danger to our shores is greater than ever," he said. Mr. Knudsen declared that the war effort must be pushed forward so that the United States can "give all the needed help to the nations fighting the battle of freedom."

Chungking General Dismissed

CHUNGKING, July 3 (Central News).—Following the receipt of a full report of the Inquiry Committee on the suffocation case in a tunnel in Chungking during a Japanese air raid on May 5, Generalissimo Chiang Kai-shek has ordered the dismissal of General Liu Shih from his concurrent post of Chungking Air Defence Commander.

General Hsu Kuo-kwang, Chungking Garrison Commander-in-Chief, is appointed to act as Chungking Air Defence Commander concurrently. Mr. Hsieh Tsun-mo, Vice-Director of the Engineering Department of the Chungking Air Defence Headquarters, is also dismissed for negligence.

Generalissimo Chiang has meanwhile issued a circular telegram to all air defence and A.R.P. units in Chungking, exhorting them to exercise greater caution in their work in order to prevent the recurrence of similar disasters.

The Generalissimo also urged the civilians, especially the youths, to co-operate in A.R.P. work.

Interference With British Shipping

Action By Japanese

SPECIAL TO THE "TELEGRAPH". LONDON, July 2 (UP).—In the House of Commons to-day, Mr. Anthony Eden, the Foreign Secretary, emphasised that there could be no assurance to Japan regarding the economic restrictions "which they allege we impose on them," until the matter of interference with British shipping in a certain area of the China coast has been settled.

Emphasising that he was entirely in agreement with the viewpoint of Sir John Wardlaw Milne that more energetic representations should be made on the subject, Mr. Eden pointed out that the matter is wrapped up in the general position regarding negotiations with Japan.

In a written reply to Sir Herbert Williams, Mr. Eden stated that a fresh report had been requested from Japan regarding the denial to British firms the use of their properties at Hankow and other points on the Yangtze river.

Took Mother's Life Savings

Prodigal Youth Will Go To Prison

For larceny of \$400 from his mother at No. 101 Chun Yeung Street, a Chinese youth named Ping Kuen, 17, was sentenced to three months' hard labour by Mr. A. N. Macfadyen at Central Magistrate's Court this morning.

Sub-inspector W. L. Clarke in outlining the case said that the youth appeared to have a good time during the past three weeks in the district at the expense of his mother. Defendant was arrested by a district watchman who was suspicious of the youth's lavish spending and on taking Defendant to his mother the theft of the money was discovered. It was found out that the money had been taken out from a locked petrol tin in which Defendant's mother's life savings were kept and of the money stolen only \$30 had been recovered.

His Worship remarked that this was the worst case of theft he had heard for a long time.

Nazi Glider Tactics

LONDON, July 2 (British Wireless).—Information reaching London relating to gliders used to carry Nazi troops in the Crete campaign shows that these machines were made of tubular steel with wooden wings. They have a span of about 80 feet and a length of 50 feet. The wings have flaps on the upper surface enabling a steeper gliding angle to be obtained.

These gliders appear usually to be towed in pairs, although as many as six are said to have been observed to land at about 40 miles per hour. They are capable of making a successful landing in quite a small space.

The complement consists of ten to twelve men, six machine guns, ammunition, food, heavy machine-gun, one light machine-gun and two portable wireless sets.

Derelict Junks Ablaze

Danger To Navigation

About 12 derelict junks, some of them on fire and drifting, extending for approximately eight miles from the shore between Hui Tung Point and Hong Hai Bay in the vicinity of Chungking, Tschang, were reported to the Authorities yesterday. They were sighted between 6 and 8 p.m.

All of them are considered dangerous to navigation.

Britain Taking Advantage Of Lull To Paste Continent

(By "Reuter's" Air Correspondent)

LONDON, July 2.—The R.A.F. daylight operations over Northern France and occasionally over Germany are being pursued with the utmost energy. Full advantage is being taken of Germany's pre-occupation in Russia.

This general assurance was given in London to-day.

Their tactical purpose cannot be divulged but it can be assumed that they are immediately associated with the growing R.A.F. night offensive. These attacks appear to be designed to strike at the chief source of the Nazi war potential in Western and North-western Germany and the feeders to her western armies. The aim evidently is to reconcile the R.A.F.'s long-term policy of heavy bombing with any shorter-range policy requiring extra punch dictated by the big chance given Britain by Hitler's Russian adventure.

Few Long-Range Fighters

The lack of sufficiency of long-range fighter escort for the work across the Channel must of necessity at present restrict the depth of the R.A.F. operations in force by daylight as do the short summer nights and the shortening of the long arm of British air power by night. But some encouraging facts have emerged from the sweeps hitherto made and incidentally begun in earnest on the eve of Hitler's attack on Russia.

The improved Spitfires have proved themselves superior in performance to Germany's latest Messerschmitt fighters. The Me-109F2 was specially designed to give maximum performance at high altitudes. Range and to some extent armament, were sacrificed to this aim, no doubt in the hope that tactical advantage of height would be decisive.

This has not been the case and the new Messerschmitt has been dragged down from its new ceiling of over 30,000 feet and the Spitfires have made short work of it.

Crash Pilots In East

Germany left behind a numerically strong fighter force in northwest Europe when she moved east, but there is no doubt that the personnel are mainly "colts," and that the crack pilots are leading the Russian campaign.

Britain's bombers are chiefly used so far in relatively small force with a very strong fighter escort, but sometimes on their own are acquiring themselves with "great dash and notable success" against Nazi fighters with whom they have been engaged in several stern combats.

Anglo-Russian Experts Meeting In Moscow

MOSCOW, July 2 (Reuter).—Further conversations of a practical nature took place to-day between the members of the British Mission and their opposite numbers. It is learned that progress is being made.

In the evening, the first British organised social gathering since the arrival of the Mission took place at the British Embassy.

It was a cocktail party given by Sir Stafford Cripps, the British Ambassador, and was attended by Mr. Vishinsky, Vice-Commissioner of Foreign Affairs, Mr. Sobolev, Secretary to the Foreign Commissariat and representative of the Commissariat of Foreign Trade, and also Lieutenant-General Golikov, Major-General Savinov, General Petrov of the Soviet Naval Liaison Staff and other liaison officers.

Diplomats Present

Many diplomats were present, including the American, Turkish, Iranian and Chinese Ambassadors and the Swedish Minister.

The formation of a committee of five for national defence has come at a psychological moment, it is considered here. Many factory meetings have been held acclaiming the creation of what the British might call a "War Cabinet."

Take your "RECORD"

W. W.
Swimming with you!

WATERPROOF
ANTI-MAGNETIC
SHOCK ABSORBER
STAINLESS STEEL CASE

One price for all styles
\$95

SENNET FRERES

Gloucester Bldg, Pedder St.

BANKS

THE CHARTERED BANK OF INDIA, AUSTRALIA & CHINA.
Incorporated by Royal Charter 1853.
Paid-up Capital £1,000,000
Reserve Fund £2,000,000
Reserve Liability £2,000,000
HEAD OFFICE—LONDON.
35 Bishopsgate, E.C.4.
Sub-Agencies in London.
117-122, Leadenhall Street, E.C.3.
West End Branch.
14-16, Cockspur Street, S.W.1.
Manchester Branch.
52, Mosley St., Manchester, 2.

AGENCIES AND BRANCHES:
Alor Star Hongkong
Amoy Hongkong
Angkok Ipoh
Batavia Karachi
Bombay Rangoon
Calcutta Kobe
Canton Kuala Lumpur
Cebu Manila
Colon Madras
Canton Medan
Cebu New York
Hankow Peking
Hongkong Peking
Kobe Peking
London Peking
Lyons Peking
Rangoon Peking
Singapore Peking
Sourabaya Peking
Tientsin Peking
Yokohama Peking

FOREIGN EXCHANGE and General Banking Business transacted.
CURRENT ACCOUNTS opened and **FIXED DEPOSITS** received for One Year or shorter in Local or Other Currencies at rates which will be quoted on application.

SAVINGS ACCOUNTS also opened in Local Currency and Sterling with interest allowed at rates obtainable on application. The Bank's Executive and Trustee business, and claims recovery of British Income Tax, under terms which may be ascertained at any of its Agencies and Branches.

W. H. EVANS THOMAS, Manager.

Bomber Fund

A total of \$2,302,250.14 was reached yesterday by the War Fund inaugurated by the S. C. M. Post, Ltd., with the following donors:

Falconers Stripland Box (second donation)	\$ 7.05
"WHY" Boat	0.20
Messrs Lepack & Co.	500
Ex 12th Foot (eleventh donation) ..	250
ILK, W.C. Hooley	42.75
Mrs. Hogg, Jockey Club Stables ..	1.000
Messrs Peters & Co., Ltd.	1.000
The Black Horse Control Pig	30.03
Quarrier, 1741 (second donation) ..	25
Ex Sergt. 7th Foot Office	25
M.B.C. (ninth donation)	10
China Overseas Transport Co.	10
Messrs E. G. Robertson	10
L. Chow (ninth kitten)	1
The following money donated to the Bomber Fund are acknowledged:	
Mrs E. J. Grant	\$25
Mr W. H. Howitt	20
Mr M. S. Fortescue	25
Mr J. G. Jones	10
Mr W. N. Winslade	30
Mr S. Durcan	25
Mr R. H. Robertson	25
Mr David Wilson	30
Prof. & Mrs L. Shore	50
Nelson H. G. Robertson	25
Mr John Fant	30
Mr T. G. Evans	50
Mr M. F. Howitt	50
Mr H. S. Beech	50
Mr Surjit Singh	10
Mr J. G. Fort	10
Mrs J. M. Anderson	50
Mr C. H. B. Derglo	10
Mrs E. H. B. Derglo	10
Mr Donald Black	25
Major N. Stone	25
Mr D. Lipovsky	2
Mrs L. N. Winfield	10

HOOVER REJECTS SUGGESTION

SPECIAL TO THE "TELEGRAPH". WASHINGTON, July 2 (UP).—Ex-President Herbert Hoover to-day announced that he is irrevocably opposed to the suggestions that he head an anti-interventionist party on the President's ticket in 1944, with Lindbergh for President.

He declared that he would "never again accept public office." He asserted that he was "greatly" complimented by the editorial in the New York "Daily News" suggesting the ticket, but added, "my age, compared with the youth necessary for that position, shows that sufficient confirmation of my views."

SPANISH IMPORTS OF PETROLEUM

LONDON, July 2 (British Wireless).—It is officially denied in London that there is any truth in the German-inspired reports that the British authorities have reduced the Spanish petroleum imports.

Discussions relating to the imports of petroleum into Spain for the current quarter are in fact now proceeding.

SUNKEN JUNK

The existence of a large sunken junk in the Eastern Harbour of the Yauanti Typoeen Shelter, about 75 yards due west of Tung Kun Street, has been reported to the Harbour Department. The main mast is showing above water, and the wreck is considered dangerous to navigation.

Cadets' Furlough

Mr T. J. Houston, who acted as District Officer, South, during the absence from leave of Mr. S. F. Balfour, is away on six weeks' furlough.

Mr Balfour will resume duties as District Officer, South, on his return to Hongkong to-day or to-morrow.

Duke Of Connaught

LONDON, July 2 (British Wireless).—During a visit to a military police training depot in the Aldershot area to-day, the Duke of Connaught, who was 91 in May last, left his car in order to be photographed with the officers and men at the depot.

Roosevelt Speech

NEW YORK, July 2 (Reuter).—President Roosevelt's broadcast to the nation on Friday, Independence Day, is fixed for 1 a.m. G.M.T. The occasion is the nation-wide patriotic rally.

Italian Interests In Russia

LONDON, July 2 (Reuter).—The Japanese Government has undertaken to protect Italian interests in Russia, says the Budapest Radio.

Picked for Prettiness —and Coolness!

Fresh Styles from
America.

Cotton Frocks

In checks, stripes and florals,
many with the popular shirt
top.

\$19.50

Jersey Cloth and Silk Dresses

Fashionable spots, stripes
and Florals.

from **\$25.50**



A LIMITED NUMBER OF
EXTREMELY SMART

**WHITE
FELTS**

from **\$9.50** ea.

CHIFFON SQUARES, \$2.95 ea.

Soft colourings. Pleasing designs

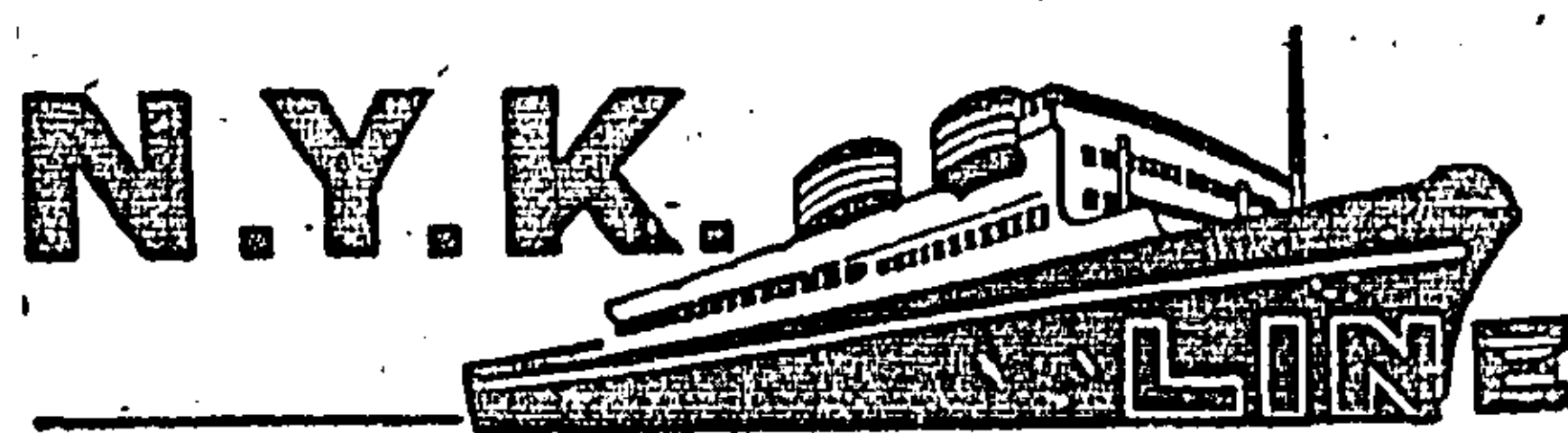
WHITEAWAY, LAIDLAW & Co., Ltd.

NEW "PARLOPHONE" RECORDINGS

- MP50—Cheerio, F.T. Harry Roy & His Band.
If I Only Had Wings, S.F.T.
MP51—Farewell Blues Harry Roy & His Band.
Dark Town Strutters Ball
MP52—Maybe, Q.S. Victor Silvester Orch.
Were Was I, S.F.T.
MP53—If Tears Could Bring You Back Victor Silvester Orch.
On The Sunny Side of the Street
MP54—Let The Hands Play 6/8 One Step Harry Roy & His Band.
My Greatest Mistake, F.T.
F1777—Study No. 3 E Major Robinson Cleaver Organ &
Ave Maria P. Rossborough, Piano.
F1780—If Tears Could Bring You Back The Organ, Dance Band & Me.
I'll Never Make the Same Mistake Again
F1787—Let The Hands Play 6/8 O.S. The Organ, Dance Band & Me.
There'll Come Another Day, F.T.

SOLE AGENTS:

S. MOUTRIE & CO., LTD.
York Building Chater Road.



SAN FRANCISCO & LOS ANGELES via Honolulu

Asama Maru (starts from Shanghai)	10th July
Nitta Maru (starts from Kobe)	28th July
SEATTLE & VANCOUVER (starts from Kobe)	
Helan Maru	Monday, 14th July
NEW YORK via Japan & Panama	
Noto Maru	Saturday, 19th July
SOUTH AMERICA (West Coast) via Hilo & San Francisco	
Sanuki Maru (starts from Kobe)	Middle of July
COLOMBO & MADRAS via Singapore	
Hakodate Maru	Monday, 4th Aug.
SYDNEY & MELBOURNE via Manila	
Suwa Maru	Saturday, 2nd Aug.
SAIGON	
Matsumoto Maru	Thursday, 17th July
BOMBAY via Singapore & Colombo	
Hakone Maru	Monday, 21st July
RANGOON & CALCUTTA via Singapore	
Matsumoto Maru	Thursday, 17th July
Kobe & YOKOHAMA	
Noto Maru	Saturday, 19th July
Nitta Maru	Monday, 28th July
Cargo only.	

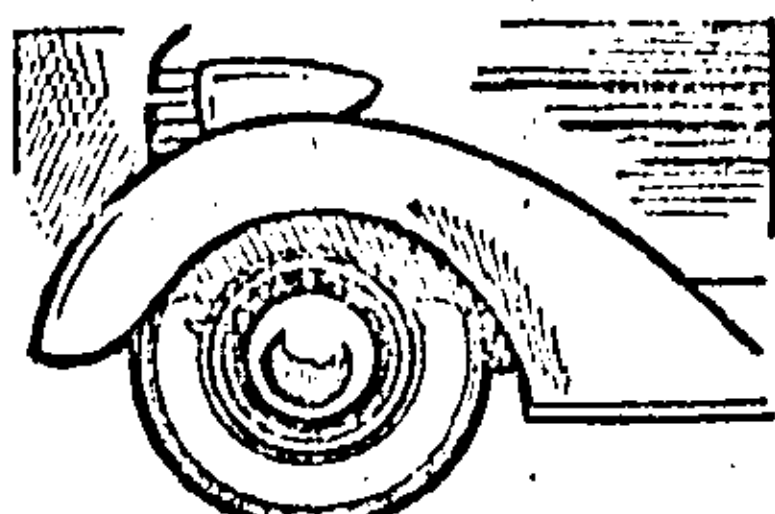
Complete Information from Your Agents or:

NIPPON YUSEN KAISYA

KING'S BUILDING

TELEPHONE 30291.

General Passenger Agents in the Orient for Cunard White Star Line.



The LATEST IN AUTOMOBILE ATTIRE

When you dress your car, do a complete job... Don't stop with polishing or waxing the body and cleaning the windows... dress the tires also with **WHIZ WHITE TIRE COATING**.

Give your car that sought after, smart appearance... that finished look that only white sidewall tires can give you... use **WHIZ WHITE TIRE COATING**.

White sidewall tires by **WHIZ** for the latest in car.

Attire...



Sold Here
**HONGKONG
HOTEL
GARAGE**
Stubbs Rd.

DEATH

WONG—On 3rd July, 1941, at 6.30 a.m. at Tai Wo Hospital, Miss Joan Wong, eldest daughter of Mr. & Mrs. Wong Pong Leuk, Funeral will take place tomorrow, July 4, at the Chinese Christian Cemetery, Pokfulam, leaving Anderson's Funeral Parlor at 4 p.m.

The Hongkong Telegraph

Thursday, July 3, 1941.

Wyndham St., Hongkong
Telephone: 26015

THE prefix "Special to the Telegraph" is used by the "Hongkong Telegraph" to indicate news which is strictly copyright under the provisions of the Telecommunications Ordinance, 1936. Such news as bears the indication "U.R." is received in Hongkong on the date of publication by the United Press Association, who reserve all rights and forbid republication, either wholly or in part without previous arrangement.

GO WARILY, CHUNGKING!

RECOGNITION by the Axis Powers and their acquiescent bed partners, Spain, Bulgaria, Rumania, Slovakia and Croatia of the Wang Ching-wei regime, and Chungking's immediate counter measure of withdrawing her envoys from Berlin and Rome, may indicate something more than a mere diplomatic manoeuvre. For some time past Chungking has not lacked for voices demanding that Free China sever all relations with the Axis Powers and goes to war with them. Mr. Eugene Chen, although not a Chungking Government spokesman, has long argued that this must be the step for Free China to take, and yesterday there was a significant agency report from Chungking, hinting official inspiration, that a course such as this might be taken in the near future.

It is possible that the Axis decision to afford official recognition of the Nanking Government is an attempt to coat nasty medicine with some sugar; what Germany hopes to be an effective form of blackmail. Japan has been made extremely nervous by the current international situation; she is becoming more and more estranged from the United States—the one country whose friendship she has always wooed and wanted; she has Russia and Germany embroiled in a war, the outcome of which, no matter which way it be, cannot afford any consolation to Japan, whose great bogy has always been her immediate neighbour in the west; she is tied to a tripartite pact, the terms of which she is probably realising are more and more extremely one-sided, and certainly not to her advantage; while she still has on her hands an interminably long and highly expensive war, producing very little in results. Her position is not an enviable one.

It is generally accepted that Hitler wants Japan to create a diversion in the Far East which will involve Britain and the United States, and the Nazi dictator is probably extremely annoyed in the failure of Japan to force the issue over the N.E.A. Now, it would appear, he has decided to use the soft gloves of persuasion to bring Japan to his bidding, even possibly hoping that China will take such a step as declaring war on him and his Allies, which might then enable him to insist upon that vital clause in the tripartite pact by which the signatories, given certain eventualities, go to each other's aid.

Thus, Chungking would be advised to act warily, or she might take a step which would do more harm than good to her own cause and that of her friends, Britain and America. Clearly there is a reason behind the sudden decision of Hitler to accept the Nanking regime; he never gives something for nothing, and Chungking will be well advised to wait for Japan's next move before taking any irrevocable step, praiseworthy though her intentions may be.

PULITZER PRIZE CARTOON



Jacob Burck of the "Chicago Times" has just been awarded the 1940 Pulitzer prize for this great cartoon. Its whole story is told with the title—"If I Should Die Before I Wake..." Picture is of a little girl praying in her bombed-out home, while war planes fly overhead.

How The British People Live

By George A. Greenwood, F. R. Econ. S.

Nowhere in Europe, perhaps nowhere in the world, are political and social conditions more stable than in Great Britain. Major issues may from time to time arise, producing acute controversy, and in Britain, as in other countries, there are wide differences of opinion. Yet there has not even been a hint of crisis that would threaten the nation's security.

This is, of course, due in part to the national character, for more homes was more apathetic and more urgent than only with the utmost difficulty, ever.

But there is a deeper, more fundamental reason. In the first place, this freedom-loving people suffer under no undue restraint of their liberty; slowly but surely, month by month, and year by year, profound changes for the better in their way of life are being secured by peaceful methods.

The most ardent lover of his country would not deny that at the opening of this century Britain stood in need of social regeneration. This country was the pioneer in the application of mechanical power—and the inventions which followed—to the process of daily work. If the pioneers of 200 years ago had had time to pause and think, they might have planned better and built differently, but they were overwhelmed by the tremendous significance of these new discoveries.

It is not surprising in the circumstances, that with the passing of time these great accumulations of buildings deteriorated; and produced in Britain what ultimately became one of its principal problems—that of re-housing. With this problem also developed another, that of improving and preserving the health of the people, and providing them with those social and recreational facilities which the conscience of a more enlightened age began to demand.

The enemies of Britain and even its friends who were ever zealous in their reforming zeal have, unfortunately, created the impression that conditions 30 or 40 years ago were a good deal worse than the truth. Many countries could be named which suffered under a housing problem far worse than Britain's. The average workman's home, even before 1914, was a palace in comparison, for example, with the miserable hovels of a Russian peasant, or

the writer of this article is the author of "England Today," which was the first survey of social conditions in Great Britain at the end of the last European War. He has for 30 years been an observer and student of the life of the people, and is a well-known journalist.

even the poorer quarters of the great drive for improvement came after the last war. During the four years of fighting house building stopped completely and in 1919 the need for more homes was more acute than ever.

Many cottages, hundreds of years old may have been gems of architecture, but more often than not they were damp; in few cases was water laid on; artificial light came from oil or from candles; sanitation was primitive.

It is here that the regeneration of Great Britain has been most striking and profound. By State aid and private effort something like 100,000 of these lovely cottages have been preserved and reconstructed. Some have been pulled down, and to take their place, as well as to supply the growing needs of the agricultural population, large numbers of new homes have been put up.

One happy woman remarked to me that in her own cottage now were practically all those conveniences which were enjoyed by the lord and his family in their mansion nearby.

What are these houses like? The old ones were generally in rows or terraces with one or two rooms below and two or three above. Very few, if any, were blocks of tenements. But the post-war structures are built on the outskirts of cities and towns, upon newly-developed estates, beautifully laid out in gardens and avenues. There they stand in pairs, or in blocks of four, or not more than six together, of brick or stone, with trimly kept gardens at the back and the front.

The average house has a parlour, a large living room, and a scullery or kitchen. Upstairs there will be three bedrooms and invariably a bath, usually in a room to itself. Downstairs and upstairs the housewife will have a plentiful supply of hot and cold water. Practically all these houses are electrically lighted, or they will have gas. In many cases almost entire communities have been moved from the crowded towns and cities, to the fresh, open, healthy atmosphere beyond, and have thus been able to live a new life in delightful surroundings.

A spectacular development of the past 20 years in Great Britain has been the new and im-

proved systems of transport which ply upon the roads and streets. There is probably no part of the country, excepting the most remote village or hamlet, which is not now linked up with the vast centres of population, either by motor bus or motor coach.

Britain still remains to a most surprising extent a rural community. Considerably over 750,000 people work upon the land. They and their families live either in villages or in scattered hamlets. Before the impulse towards social improvement took effect, housing conditions in some of these remoter areas were, perhaps, worse than those existing in the towns.

Many cottages, hundreds of years old may have been gems of architecture, but more often than not they were damp; in few cases was water laid on; artificial light came from oil or from candles; sanitation was primitive.

It is here that the regeneration of Great Britain has been most striking and profound. By State aid and private effort something like 100,000 of these lovely cottages have been preserved and reconstructed. Some have been pulled down, and to take their place, as well as to supply the growing needs of the agricultural population, large numbers of new homes have been put up.

Other factors have greatly helped to change the face of the British countryside. A higher standard of education, given in schools far better than those of the old days, the cheapening of books and newspapers, the arrival of the radio, which costs the listener a fraction above 2d a week for his licence; the penetration of the cinema into the larger, and even some of the smaller, villages—all these things have brought a new birth to rural communities.

They have been aided by two other important developments—the arrival of the motor bus and the motor coach, which link up the countryside and outskirts of the town with the great centres of population, running on practically every high road and many a by-road; and the coming to this country of the Women's Institutes from Canada in the days before the last Great War. At these Institutes wives and daughters learn almost everything—from general knowledge

Glossary for Nazism

By J. C. Johnstone

HITLER'S one consistency is his distortion of plain terms to suit his own vile purposes. Thus it is that, whether he is addressing the Reichstag or publicly explaining why he took the steps he did to bestow German blessings on the Balkans, or exposing the machination of his enemy, he habitually uses a language all his own.

No one outside the Axis countries, and only the most gullible minds inside them, could any longer be hypnotised by Hitler's bland pretence that whenever he attacks a neighbour it is he who is the real victim of treachery and aggression.

It may, however, be instructive to compile a specimen glossary of Nazi terms habitually used in the attempt to convince the world that black is white, or at any rate a higher shade of grey. Here it is:

PEACE OFFER—A peremptory summons to stand and deliver or be killed.

SACRIFICE FOR PEACE—The cost of compliance with such a summons.

GUARANTEE—Pledge to protect a weak neighbour from being pillaged by anyone but the Axis.

PROVOCATION—(1) Being in a position where Germany wants to invade you. (2) Adopting any kind of measures for self defence.

UNWARRANTED BEHAVIOUR—Refusal of a non-belligerent to show grovelling subservience to the Axis.

COLLABORATION—The opposite of unneutral behaviour.

ATMOSPHERE OF CORDIALITY—The condition when, at a conference with an Axis Power, the other party is yielding to intimidation.

BARBARISM—Making a poor country pay for its keep in economic bondage.

NO HOSTILE INTENTIONS—The spirit of warm friendship in which Germany massacred the inhabitants of Rotterdam.

MILITARY OBJECTIVE—Anything Germany wants to bomb from the air; anything she would like us to believe the R.A.F. never hit.

CRIMINAL—Anyone helping to thwart the designs of the Axis.

WARWAGONER—Anyone advocating or promoting armed resistance to Axis aggression.

PLANS (BRITISH)—for extending the war—A routine formula explaining away each new Nazi aggression.

LEBENSRAUM—The cuckoo's name for its victims' nests.

PLUTOCRATS—The nationals of any country which possesses something the Axis covets.

HAVE-NOTS—Nations who have no better because they have wasted all their substance on guns. (They may be compared with a man too poor to pay his grocer's bill, but able to afford a world cruise.)

ENVY—The feeling paradoxically aroused in the Haves by the Have-nots.

YOUNG NATIONS—Very old nations who have reverted to ancestral barbarism.

DECADENT DITTO—Nations whom the Axis wants to despoil.

MATERIALISTIC DITTO—Nations insensitive to the beauties and advantages of the Axis Utopia.

FIGHT (GERMAN)—for bare existence. The fight waged by the wolf in the fold against the sheeppdog.

ENCIRCLEMENT—Any resort to mutual support on the part of Germany's intended victims.

DISMEMBERMENT OF GERMANY—The liberation of non-German territories which Germany has annexed by force or fraud.

PROSECUTION—Withholding from Germans abroad the privileges of violence and intimidation which they enjoy within the Reich.

BETRAYAL—(as of Poland by Britain).—The handist's taunt to the pursuers who have not yet succeeded in recapturing his loot.

of their own country and the outer world to the latest ideas in cooking, household tasks, nursing, garden cultivation, handwork and so forth.

Working Conditions

It is the same everywhere. Not many British workers, when there is no war, do more than a 48-hour week. Many work several hours less. No child under 14 can be employed in a factory to-day. There are all-embracing schemes of insurance against ill-health and unemployment. Practically every kind of physical need from cradle to grave is provided for in the service rendered by the Ministry of Health, which is constantly recording a decrease in rates of infantile mortality and of lingering and other fatal diseases.

Everywhere, in town and country, parks, open spaces and playing fields abound. There is a free, unrestricted press. Every man and woman who is 21 or over can now exercise the franchise. If asked, the average man or woman to-day would say that Britain is fighting to preserve intact her great heritage of liberty and to make sure that this state of high civilisation shall not be destroyed.

SOVIETS PREPARING TO STAGE BIG COUNTER-OFFENSIVE

VICHY, JULY 2 (REUTER).—GERMAN UNITS ARE ONLY 325 MILES FROM MOSCOW, ACCORDING TO REPORTS REACHING STOCKHOLM, SAYS A DISPATCH TO THE VICHY NEWS AGENCY

THESE ARE ADVANCE UNITS, THE DISPATCH SAYS, WHICH HAVE THRUST BEYOND MINSK. THIS COLUMN HAS LEFT THE MAIN MINSK-SMOLENSK-MOSCOW ROAD AND IS APPARENTLY AIMING AT AN ENCIRCLING MOVEMENT SIMILAR TO THAT CARRIED OUT EAST OF BIALYSTOK.

Meanwhile, these reports continue, the Russians are preparing a counter-offensive. Large Soviet forces are concentrated at Smolensk about 250 miles east of Minsk and the same distance from Moscow.

The dispatch adds that fresh Soviet divisions are ceaselessly moving westwards from Moscow.

BERLIN SAYS MURMANSK TAKEN

Special to the "Telegraph"

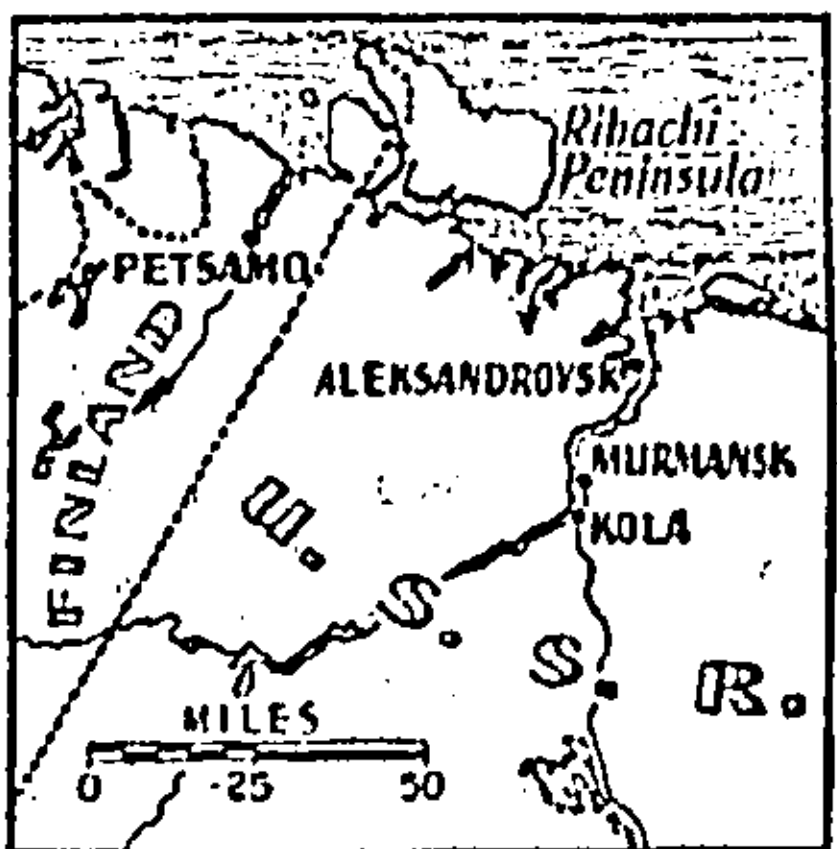
Berlin claims that German troops yesterday occupied Murmansk, important port on the northwest tip of Russia which is linked to a railway running to Leningrad, reveals "United Press" in messages from Berlin and Moscow.

The German high command also announces that Nazi forces have occupied Windau and that 100 Soviet tanks have been destroyed near Zloozow.

Against this Moscow reports that a Soviet naval squadron shelled Constanza and destroyed the German-Rumanian naval base there.

The report added that the Rumanians were caught unawares and that the coastal batteries did not open fire until after the Russian fleet had fulfilled its task and departed.

Prior to their arrival at a home port, the fleet fought off and shot down a German bomber and also sank a submarine.



The Russians claim to have dealt heavy blows to the Germans in the latest offensive issued in Moscow. The communiqué reads:

In the Dvinsk and Minsk sectors, our troops acted throughout the night, destroying enemy vanguard tank units. During the night our troops operating in the Lutske sector, fought enemy motorised and mechanised units, dealing them heavy blows. In other sectors of the front there was intense patrol activity with rifle, machine-gun and artillery firing.

On July 1, despite bad weather which in some places rendered flying impossible, our air force successfully bombed enemy tank troops in the Dvinsk and Minsk sectors.

Nazis Lose 102 Planes
According to precise calculations, 102 enemy aircraft were brought down on June 30, and not 58 as previously reported.

In addition to one aerodrome, our air force successfully attacked some 50 aeroplanes which had no time to take off.

On July 1, 54 enemy aircraft were downed. Twenty-two of our planes failed to return.

In a summary of the Russo-German blitzkrieg on the eastern front, "United Press" reveals that the fighting continued, yesterday with unprecedented fury, with neither side so far being able to strike a decisive blow.

The Germans claimed indefinite progress towards Moscow, Leningrad and Kiev.

Russian Denial

However, the official spokesman in Moscow declared that the Russians

had wiped out the advance German panzer units and that the Soviets could guarantee that Hitler would never win the war.

M. Lozovsky, the Vice Foreign Commissar, denied German claims that Minsk and Minsk had been occupied by Nazi troops, adding that the abandonment of this or that city in view of strategic considerations was not important so long as the main forces of the army were preserved.

Heavy Nazi Losses

ZURICH, July 2 (Reuter).—Stressing the violence of the fighting on the Russian front, the Berlin correspondent of the Swiss newspaper "Nationale Zeitung" says that the Russians, at many points are fiercely engaging and causing heavy losses to the German forces advancing to the support of motorised troops which have pierced the Russian lines in the Minsk sector.

Foreign military circles in Berlin, he states, are wondering whether the Soviet military leaders have not discovered a new tactical method of dealing with the German advance.

Nazi Communiqué

LONDON, July 2 (Reuter).—The German Command to-night issued an announcement—dated from the Fuehrer's headquarters—claiming a "decision of great importance" in the battle east of Bialystok, where large Soviet forces are stated to have been surrounded.

The announcement states: "It is becoming more and more clear that the battle of annihilation east of Bialystok has resulted in a decision of the greatest importance for world history."

"Indescribable" chaos has overtaken the Soviet Army.

Capture Claimed

The announcement then lists the alleged Soviet losses there and on other sectors of the front from June 22 to July 1: 5,774 armoured cars, 2,330 guns and anti-aircraft guns, four armoured trains, an "innumerable" quantity of machine-guns and rifles, 4,728 planes and 100,000 prisoners.

"With the stubborn resistance put up by the Soviet forces and their determined efforts to break through, the number killed will be many times higher than the prisoners," concludes the announcement, adding, "Our own losses on the whole remain fortunately small."

Compulsory A.R.P.

LONDON, July 2 (Reuter).—Compulsory air raid precautions training for all Russian citizens of 16 to 50 is decreed by the Council of the Peoples' Commissars, according to Moscow Radio.

Parachutists Seized

SPECIAL TO THE "TELEGRAPH"—STOCKHOLM, July 2 (UP).—Radio Tallinn today reported that hundreds of German parachutists were captured in Estonia yesterday and to-day. It announced that the entire population of Estonia has been ordered to be on their guard against enemy parachutists.

Chiang Like Churchill: Undismayed By Odds

LONDON, July 2 (Reuter).—In an editorial under the title "Toughness of China," "The Times" publishes from a special correspondent in China a lengthy message from which the following is an extract:

"Although the Chinese were unable to conceal their dismay when the Matsuoka Pact was announced, General Chiang Kai-shek himself never wavered."

"Since the outbreak of war in China his attitude has been that of Churchill after the fall of France—'if necessary for years, if necessary alone.' Nor did any of his supporters really doubt the future."

"There was a general feeling in Chungking that China, if not betrayed, had been badly served. Unable to believe, however, that Russia would withdraw her active support, the Chinese felt that the blow was mortal rather than material."

Peace Party

"The chief moral effect for which observers looked, was the reaction of the 'Peace Party' in Chungking. The Peace Party is small in numbers but is never quite dormant and is not a party in the usual sense. It has no avowed leader and no cohesion. The term has come to include those elements inside and outside the Government, many of them unknown to each other, who are weary of hostilities."

Their aim is to go home—back to the great cities of the coast."

Outlook Changed

Many who in their hearts favour peace are willing to fight on while hope of victory remains; it is when things are going badly that they tend to relapse.

Before any voice for peace could be raised in Chungking, much less be taken itself heard in the councils of state, three things happened which promptly changed the outlook.

Reports were received from Moscow of the Russian intention to continue assistance to China; Britain and the United States announced new currency credits; and suspicion succeeded the transports of delight with which the Japanese press had proclaimed the Pact.

A Time Bomb

The Chinese, who had regarded the signing of the Pact as a time-bomb, the effects of which could not be seen until the existing flow of Russian supplies had come to hand, now recovered their confidence. Among the higher Government officials in Chungking, it is almost axiomatic that China's future depends on an Allied victory in Europe. They could make peace with Japan tomorrow but the Japanese Army would be back again in five or ten years, unless peace was guaranteed as an integral part of the great world settlement for which free peoples are fighting.

Armed Truce

Although the relations between the Government and the Chinese Communists can best be described as an armed truce, the higher leaders on both sides appear determined to prevent the dispute from interfering with China's resistance to the invaders. The important fact about the Communists is not so much that they are Communists as that they are Chinese and may be expected to act as such.

After repeated raids with large numbers of warplanes, the Japanese have still failed to realize that they can bomb Chungking for years without much effect. The city has the finest passive air defences in the world. Dug-outs are built in solid rock, capable of sustaining direct hits by the heaviest bombs.

When it comes to bombing, the Chinese can take it like the British,

Burma Road

Similarly the bombing of the Burma Road may hamper but cannot stop the flow of supplies into "Free China." Travellers arriving here have come the whole way from Lashio by road without once being forced to cross the river ferries. After the destruction of the bridges over the Mekong, the Chinese constructed a new suspension bridge in seven weeks.

Handicapped in some of their theatres of war through lack of equipment, the Chinese are still largely unable to resist major Japanese attacks in the field. With a vast number of troops at their disposal, however, they can constantly form new concentrations in different parts of the country which the Japanese are compelled to break up in order to remove threats to big cities in their hands.

Repeated Efforts

Japan is thus forced to expend her energy in taking towns which she had captured three or four times before.

If the Japanese had hoped that the Matsuoka Pact would assist them in the blockade of China, they appear to have been disappointed. Trustworthy figures cannot be obtained of the volume of supplies still coming overland from Russia, but some foreign observers believe that it is little short of the present tonnage on the Burma Road.

On balance, the will of the Chinese to carry on the war despite ups and downs remains unimpaired. The rebound from the Matsuoka Pact came quickly in the British and American credits, the arrival of an important American Air Mission in Chungking and the British Ambassador's east-iron assurance that the Burma Road would be kept open.

Other Help

Other more tangible forms of help have followed. The Chinese now feel that they are no longer alone in holding the front in the Far East. Almost without exception, the educated classes are anxious for an Allied victory so that they shall be free to build up a great new China of their own shaping.

General Chiang Kai-shek's attitude may be judged from the report that he has threatened to shoot the next emissary who brings him peace overtures from the Japanese.

Whether true or not, there are few Chinese, in the present temper of the Generalissimo, prepared to put this report to the test.

Trainer Takes Too Much

Could Not Remember

N. Koostretsoff, 25, trainer attached to the Hongkong Jockey Club, was fined \$5 by Mr. H. G. Sheldon, J.C., at Central Magistracy, this morning, for being drunk and disorderly in Shan Kwong Road, outside the Club stables, about 4 p.m. yesterday.

Sergeant Evans stated that in response to a telephone message from Mr. Walker of the Jockey Club stables to the effect that Defendant was drunk and was cutting up the turf in the stables, he went there and found Defendant on the road outside. He took him to the Station.

Defendant stated that he did not remember anything.

BRITAIN AGREES TO AID FRENCH

Allows Service From U.S. To N. Africa

LONDON, July 2 (British Wireless).—Answering a question in the House of Commons to-day, the Parliamentary Secretary of the Ministry of Economic Warfare stated that as a result of consultation with the U.S. Government, the British Government had agreed to allow to sail from the U.S.A. to French North Africa, three French ships one of which is the tanker Scherezeade.

Supplies are to be consumed solely in French North Africa and their distribution is subject to the supervision of American Consular officers. In reply to supplementary questions, the Prime Minister said, "I think in this important matter we must be guided to a large extent by the great friendly country whose assistance is indispensable to our war effort."

Respect For U.S.

He added, "As a matter of high policy, I am of the opinion that the views of the United States should be treated with the greatest respect. I am quite certain that any action of this kind that may be taken by the United States is conceived only in a sincere desire to aid the war effort of this country."

It was explained by the Ministry of Economic Warfare that two French ships would be permitted to sail with a general cargo from the United States to French North Africa while two other French ships would be allowed to sail in ballast from Marseilles to the U.S.A. thus forming a "shuttle service" between the U.S.A. and French North Africa.

The Scherezeade, an oil tanker of 13,000 tons, which was intercepted by a British warship in May and taken to Bermuda, will be permitted to sail to Dakar and Casablanca and then back to the United States.

Navicerts will be issued to the French ships and the system is designed to restore some kind of normal trade between the U.S.A. and French North Africa, but its continuance is dependent on the correct and proper use of supplies in French North Africa.

STORMS IN INDIA

BOMBAY, July 2 (Reuter).—After a 36-hour interruption due to torrential rains, telegraph communication between Bombay and other parts of India has been restored.



Just what I needed!

EWO

THE QUALITY BEER

SCM41-5



SLEEPING SUITS

Knee length — Short sleeves

Made of fine Zephyr cloth in plain blue, fawn, grey and green. The "Man-cased" waist-band adds to their comfort.

\$12.50

less 10% cash discount

MACKINTOSH'S LTD.

MEN'S WEAR SPECIALISTS

Swan, Culbertson & Fritz

Investment Bankers and Brokers

Members of New York Cotton Exchange

Chicago Board of Trade

Manila Stock Exchange

Winnipeg Grain Exchange

Commodity Exchange, Inc., New York

Canadian Commodity Exchange, Inc., Montreal

New York Coffee and Sugar Exchange

Hongkong Sharebrokers Association

Shanghai Stock Exchange

SHANGHAI, HONGKONG, MANILA and BUENOS AIRES

Cable Address: SWANSTOCK

A TIMELY REMINDER



THE CLEANING SYSTEM THAT WILL PREPARE YOUR WINTER WARDROBE AND HOUSEHOLD FURNISHINGS FOR PERFECT SUMMER STORAGE

SEND ALL YOUR CARPETS AND RUGS FOR SHAMPOOING BEFORE STORAGE

THE STEAM LAUNDRY CO.

Head Office & Works 57032

Gloucester Bldg., 2nd Flr., Tel. 28938 Hong Kong Depot, Tel. 21270

Kowloon Depot, Tel. 58545 Peak Depot, Tel. 29325



HONG KONG HOTEL

MEET AND EAT HERE

MAC'S CAFE

The Business Man's Favourite Rendezvous

TABLE D'HOTE TIFFINS \$1.75

GRILL SPECIALITIES A LA CARTE

SNACK COUNTER & BAR

Quick Snacks and Refreshments

ON SALE AT MAC'S COUNTER

Finest Assortment of Home-Made Pastries & Cakes. Chocolates in fancy boxes.

ORDERS TAKEN FOR WEDDING CAKES AND CAKES FOR EVERY OCCASION

HONG KONG HOTEL

THE HONG KONG & SHANGHAI HOTELS, LTD.

LAST DAY of GORDON'S SHOE SALE

SATURDAY
JULY 5th.

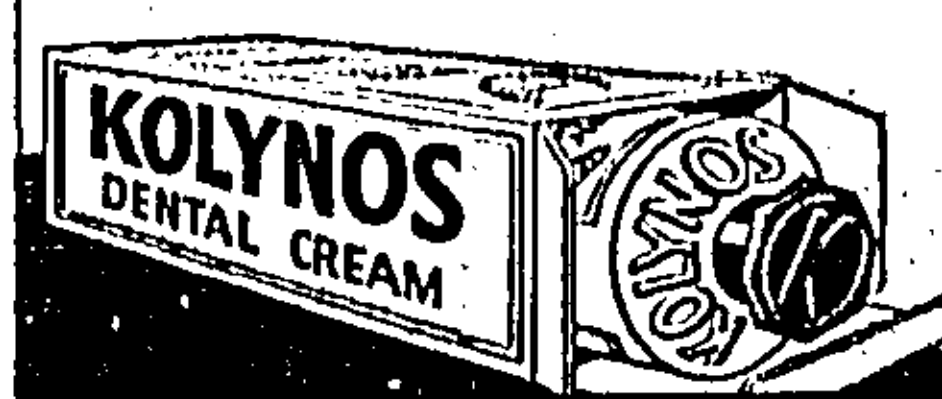
FURTHER HEAVY
REDUCTIONS



CHILDREN
WANT
this EXTRA
PROTECTION

Growing children are in constant danger from germs in the mouth that attack the teeth and cause decay. You can guard against this happening! Have your children brush their teeth regularly with Kolynos, the scientific, germicidal dentifrice that not only cleans teeth quickly and safely but destroys the dangerous germs. It is easy to get children to brush their teeth with Kolynos because they like its cool, refreshing taste.

ECONOMIZE—
BUY the LARGE TUBE



KOLYNOS
the economical
DENTAL CREAM

"WICK'S" BOWLS NOTES

A Week-end Of Surprise Results

Splendid Victory For K.C.C. Over Indians

Set-back For Kowloon Tong

TWO "POSSIBLES," a seven, Craigengower's smashing victory over Civil Service C.C. and Kowloon Cricket Club's clean-sweep success over the Indians at Cox's Road were the chief features of last Saturday's League programme.

Though the champions, Recreio "A," also won their match against Kowloon Dockers at King's Park, they conceded a point, and, as a result, their Happy Valley rivals, Craigengower, are only four points behind with two matches in hand.

The Indians, who are also in the running for the championship, have seriously jeopardised their prospects by their defeat at the hands of the lowly-placed K.C.C. team. The result of this match was the biggest surprise of the day.

In beating the Civil Servants, Craigengower C.C., on their own green, set up the highest aggregate score for the season. Bragg's rink scored 36, Ousey's 32 and Roselle's 35—a total of 103.

While the home team could do little wrong, the Civil Servants could do little right and did not at any time give the impression that they had succeeded in settling down.

The visiting skips had a bad time of it throughout and but for good work by J. F. McGowan and M. N. Rakusen, the Craigengower score might have been even higher.

Craigengower's strong position may be attributed to their ability to score clean-sweep successes against the weaker sides. After losing their first game against Recreio "A"—they scored one point—they have beaten Recreio "B," Kowloon C.C., Kowloon Dockers and Civil Service by 5-0 and in the game against Kowloon B.G.C. "A" they won by 4-1.

KOWLOON C.C. improved their standing considerably as the result of their success over the Indians, who once again revealed their weakness when playing away from their own green.

It was certainly no "fluke" on the part of K.C.C., for whom their leader, A. E. P. Guest, M. D. Lloyd and A. E. Perry, laid the foundation for their third-rink victory. All three played consistently well.

Of the skips, E. C. Fincher was probably the best, drawing and playing pound-on shots with equal facility. T. A. Madar, who beat A. R. Dallah by 5 shots, was up against a man who had no luck at all with his drives.

N. J. Bebbington, taking charge of a rink for the first time this season, had a happy combination playing with him, and proved once again that harmony in a rink can often overcome many handicaps.

FOR the first time in 15 years, the "Recreio" "A" team took the field last week without Carlos Silva, who has been advised to rest for the remainder of the season owing to a tumour in the ribs.

Even without him, the champions won their match comfortably against Kowloon Dockers, though E. X. M. da Silva's rink went down to R. Morrison's four by 14-24.

R. F. Luz, probably still smarting from his heavy defeat by A. R. Dallah two weeks before, piled it on to Coleman to the tune of 40 shots to eight—to set a new record for a rink win.

J. McKelvie was the hero of the match between Kowloon B.G.C. "A" and Recreio "B" on the latter's green. He and his men, R. P. Phillips, A. Hyde-Lay and H. E. Drew, carried the side through by inflicting a 25-4 defeat on F. A. Machado, E. L. Barros, F. A. Noronha and L. J. Silva.

And though Adam Holland and A. J. Hall both lost, McKelvie's winning margin was enough to put the Bowling Green men on the successful side of the scales.

IN the Second Division, Kowloon Tong's winning streak was stopped by Craigengower, and the surprising thing was

S.C.A.A. Draw 4-4

The South China Athletic Association touring football team shared eight goals with the Negri Sembilan State eleven yesterday at Seremban.

Lee Wai-tong (3) and Chan Tak-fai scored for South China.

For Dis Is Dis And Dat Is DatSo Play Ball

Probably the most appropriate reply ever given a ballplayer is the one with which Bill Guthrie squelched an argument.

Bill wasn't the most polished linguist in the world, but he had few equals in baseball for expressive language.

When the batter snapped at him that he was all wrong in considering the previous pitch a strike, Guthrie quickly whirled on him and in his most sarcastic manner declared: "Listen fella. When I call 'em, they stay called. They're either dis or dat. And dis is dis. Play ball!"

that the leaders were beaten on their own green.

Another feature of the match was the heavy defeat sustained by the hitherto unbeaten A. J. Kew, who went down by no fewer than 10 shots (9-20) to E. J. Todd, M. A. Baptista, W. Ward and N. P. Karanjah.

A. Spary's rink had the better of W. K. Way's by two shots, J. L. Stephens' four were beaten by Tommy Lock's by five shots, leaving Kowloon Tong with only one point.

BOTH the "possibles" of the day were registered in this division. E. Kern's Kowloon F.C. rink (W. Nae, A. L. Eastman and C. Dowman) started off like a house on fire with an eight-in-the-very-first-head against R. G. Grindley, A. H. Perry, G. B. Foster and C. Gowland, of the Prison Officers, and finished up seven shots to the good.

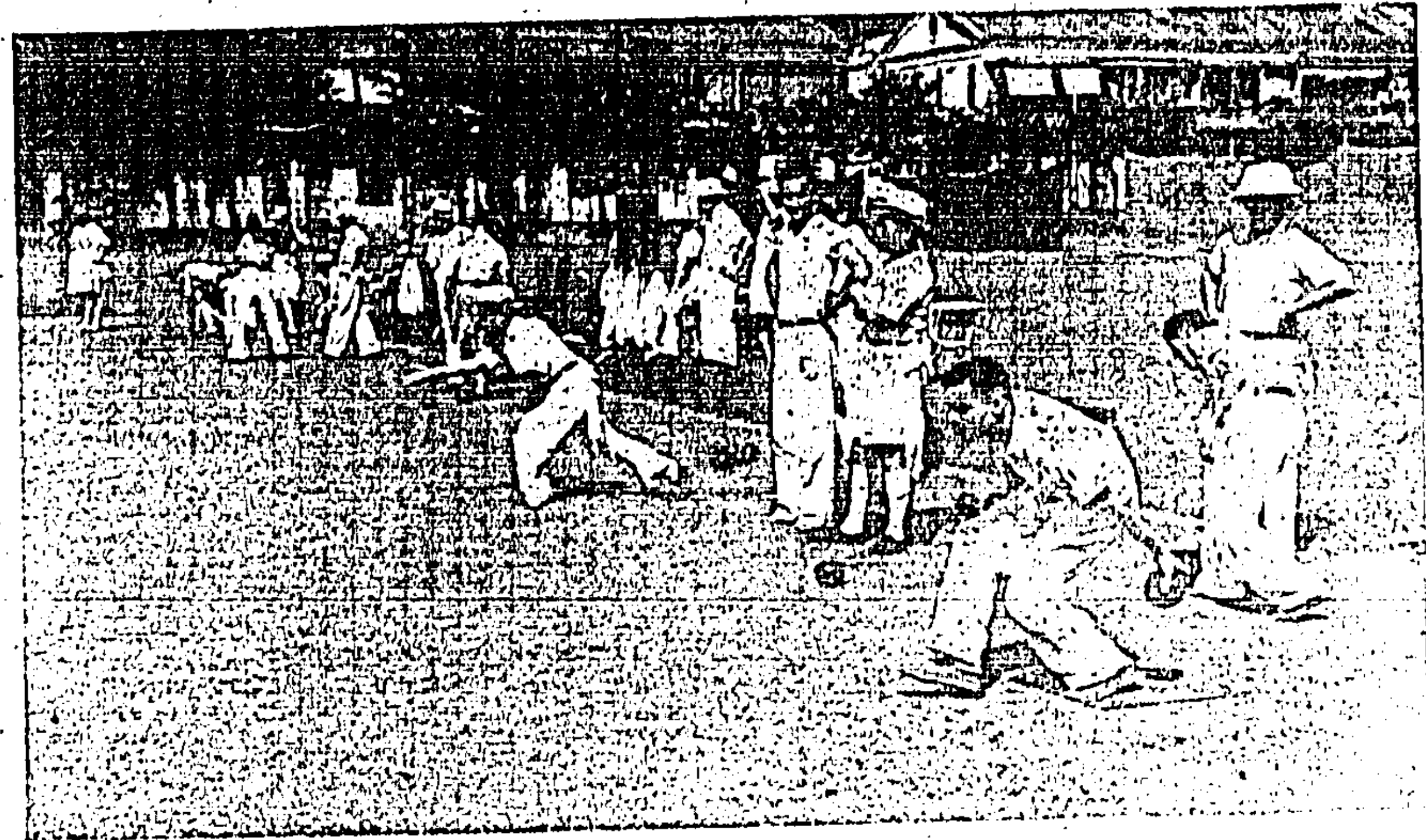
The other was to the credit of G. E. Costello's rink, which set up a scoring burst of 2, 4, 8, 2, 5 (21) which will be hard to equal against the Kowloon C.C. rink of S. A. Gray, R. Leigh, E. C. Curtis and R. S. Meadows.

No fewer than 50 shots were registered in this rink game, Costello's men winning by 38-21. So many shots in one rink game have not been scored for a long time.

THE INDIANS did well to take five points against Hongkong C.C. in the Third Division at Soekunpo and are now only one point behind Kowloon B.G.C., the League leaders.

Craigengower are a point and half behind the Indians.

LAST Sunday many rink games were started but in every case rain terminated play after a few heads. For the information of those who had commenced their matches, the rules say that these must be continued from where they left off.



Lawn Bowls

E. C. FINCHER LOSES CLOSE GAME TO A. HYDE-LAY

Rinks Championship

AFTER ONE of the best lawn bowls matches to date in the Rinks Championship, A. Hyde-Lay (R. P. Phillips, P. A. Peckham and J. E. Henson) beat E. C. Fincher (S. A. Gray, E. Curtis, A. W. Smith) 19-16 at the Kowloon Football Club yesterday.

At Happy Valley, the holders, R. Basa, A. E. Coates, J. S. Landolt and C. S. Rossette beat J. Forrest, J. Orem, J. Fender and E. G. Post 26-10, at the Hongkong F.C., while in the Pairs Tournament, W. Williamson and C. S. M. Thom beat M. A. Baptista and G. S. Ladd 30-16 at the C.S.C.C.

Even Struggle
HYDE-LAY and E. C. Fincher had a close struggle that was not decided until the last head had been played. The Bowling Green four went off to a good start and had chalked up seven shots before the K.C.C. rink registered a 4 to open their account.

From then on it was a pendulum struggle with all eight bowlers giving their best. They drew level at 11-11, but it was not until the 18th end that Fincher's rink went into the lead for the first time, scoring a single to lead 15-14.

The K.C.C. players lay the shot when the skips went to bowl in the 19th, but Hyde-Lay—with a brilliant wood look out the opposing counter to even matters at 15-14.

Then came Hyde-Lay's four—the result of consistent drawing—and in reply Fincher could only manage a single to lose 16-10.

Holders Through
THE HOLDERS had little trouble from the Police four. They went off in a scoring burst that placed them 10 shots ahead before their opponents scored a single. From then to the 21st it was all in favour of the Craigengower four again, and the score at the end of that head was 21-1.

Scoring was:
Rossette: 1, 1, 2, 4, 1, 0, 1, 1, 3, 3.
Post: 0, 0, 0, 0, 0, 0, 1, 0, 0, 0.

1, 1, 1, 0, 1, 0, 1, 0, 0, 0 = 20
0, 0, 3, 0, 1, 0, 1, 0, 4 = 10

Pairs Match
SCORING a six and two five's, Williamson and Thom beat Baptista and Ladd 30-16 in the only Pairs match of the day.

The Craigengower pair fell away badly from the 14th end onwards, and over six of the last seven heads gave away 13 shots.

The Kowloon Dock pair were nearly always in the lead, first at 6-2 and then 8-6 on the 8th. Ladd scored a five on the 9th to take the lead 11-6, but the opposing couple came back with their six.

With three singles, however, the Craigengower players drew up to 17-14, but could do little thereafter.

Scores were:
Thom: 0, 1, 0, 0, 0, 2, 0, 0, 0, 3.
Ladd: 1, 0, 1, 0, 2, 1, 0, 1, 5, 0.

0, 0, 0, 5, 2, 1, 3, 1, 0, 0 = 20
1, 1, 1, 0, 0, 0, 0, 0, 0, 3 = 16

Mexican Wins N. B. A. Featherweight Title

LOS ANGELES, July 2 (Reuter).—Ritchie Lerma, Mexican boxer resident in Los Angeles, today won the world featherweight championship as recognized by the National Boxing Association today by knocking out Pete Searo in the fifth round. Searo had held the title for 13 months.

League bowls action on the Craigengower green on Saturday last. The First Division team in action at the far end of the green, beating Civil Servants 5-0, while at this end members of the Third team, who were not engaged, were indulging in practice.—Ming Yuen

King Scores "Double" At Ascot Races

Enthusiastic Demonstrations

NEWMARKET, July 2 (Reuter).—Although notable features like the fashion parade and the Royal Drive down the course were missing, the substitute racing here retained a Royal aspect since the King gained a tremendously popular "double" to-day.

Golf Ball Manufacture

Not As Simple As People Think

To the average player the ordinary golf ball probably appears to be one of the most uncomplicated pieces of sporting equipment, but actually more care is put into its manufacture than in many a larger, more spectacular product.

According to an announcement by United States Rubber Company, there are 131 operations in the making of its True Blue U.S. Royal.

Starting at the centre, the core apparently is only a small capsule of oil imbedded in a spherical cushion of rubber, but 17 steps are required to make it.

Intricate Affair
Around this is wound rubber thread, that looks like an ordinary rubber band, but 60 operations are needed to produce. Believe it or not, the company has taken 120 pages of a good-sized book just to lay down specifications for making golf ball thread.

Add 15 operations on the cover, and 33 more in the assembling of the centre, thread and cover, and you have 131 in all.

The need for such meticulous manufacture can be understood when one stops to think about the punishment a golf ball must take. It demands more from rubber than any other one of the thousands of products made of this material.

Preparing For Next Badminton Season
University Activity
Despite the heat and dampness, several co-eds in Hongkong University are being coached at Badminton by S. L. Yung, the "Varsity's" energetic and capable captain.

The women, who comprise Misses Li Wai-kun, Joyce Koh, Peggy Lo, Uehing Koo, Lillian Yip, Beatrice Green, May Chow, Phyllis Hui, Fatima Mohammed, Peggy Ma, Daphne Ho, Jenn Won and Rosalind Cheng, have made splendid progress to date, and the University women's teams should constitute a real menace in next season's League events.

Miss Uehing Koo, the present University champion and Miss Li Wai-kun, who in partnership with Miss L. Chow won the Doubles title, have been awarded their Badminton colours.

The offer by the University's men, who won the League and most of the championships, has not been taken up and it very much looks as if the offer will be withdrawn. It will be recalled that following applications, the University Union consented to appoint several of their outstanding players as coaches to clubs during the off season.

Expectations that the King has a great chance of winning the Derby and Oaks next year were strengthened when his horse Big Game won the Coventry Stakes, and Sun Chariot won the Queen Mary Stakes for fillies, thereby virtually establishing themselves as the outstanding two-year-olds.

Not since Limelight won at Ascot for King George V have there been such enthusiastic demonstrations. Cheering and hand-clapping began when the King's colt was 1½ furlongs from home.

Sun Chariot's daughter of the former Derby winner Hyperion, got home in a thrilling finish to beat Lord Glanely's Perfect Peace by a head to provide an exciting climax to a hard-fought race.

There was no cheering until the number went into the frame, owing to the uncertainty of the result.

It was the first time for many years that the Royal colours were twice successful in the same afternoon. It was the King's eighth winner this season.

Successful Jockey
HARRY WILCOX, who rode both winners, also rode Sir Hugh Cunliff Ousey's Finis to victory in the Gold Cup over 2½ miles, beating Miss Dorothy Page's Olden by a head, with the Aga Khan's Winter Halter only a neck behind.

"Coupon" Meeting
It was the first time since the judging by the sober atmosphere of the Meeting, no one could have imagined it to be Gold Cup Day.

Fewer women were seen and it was obvious that none of them were willing to waste precious coupons on a special Ascot outfit which would have cost 10 coupons.

There were a few tappers and morning coats, and motorists evident against patrol wagons for there were fewer than 500 cars in the car park available for 2,000.

Summer Foursomes At Happy Valley
The following were the results of second and third round matches in Royal Hongkong Golf Club's First Summer Foursomes Competition at Happy Valley:

Second Round—Willerton and Price received a walk-over from Bowker and "Minerals" Barry and Ahern beat Bellamy and Graves five and four; MacFayden and Muir beat C. E. Moore and Lee one up; Powell and Hiller beat Forrest and Anderson five and three; Mundy and Matthews two and one; Dennis and Hiller received a walk-over from J. Young and G. M. Park; H. Smith and Greenwood received a walk-over from W. A. Stewart and T. Low; T. B. Low and H. K. Collins beat A. H. Penn and J. B. Collis four and three.

Third Round—Willerton and Price v. Harry and Ahern to play; Powell and Muir beat MacFayden and Muir four and three; Dennis and Hiller beat Mundy and Stoker; Low and Collins beat Smith and Greenwood at the 19th.

Jul. 28/51.

"Henselite"

UNI-DISC

The 'Absolute' in Bowl Production

AND CHOICE OF THE CHAMPIONS

INSPECTION CORDIALLY INVITED

SPORTS DEPT.

LANE CRAWFORD'S

The House of Quality & Service

STOUT FELLER

"Where are you going with that axe?"

"I'm going to do a little deforestation, Bertie. There's a tree outside I've taken a dislike to. I shall fell it with one fell swoop."

"Rather early in the morning for tree felling, isn't it?"

"The early-woodcutter gets the first tree, you know. Besides—it's an ugly tree. There is something offensive about that tree. Come to think of it, it rather reminds me of you, Bertie."

"Well—I must confess I didn't expect to see you chopping trees this morning and smoking a whacking big black cheroot. Not after last night..."

"I don't like the way you say 'not after last night.' I detect a certain envy in the tone—a certain undercurrent of bitterness. You ought to be overjoyed to see me absolutely bristling with joy-de-vivre."

"I merely marvel at your powers of recovery."

"You needn't, Bertie. It's all due to Rose's Lime Juice, you know. Prevents mornings after the night before. Just the thing before you go to bed. And now, Bertie, with your permission I'll step out and deal our unsuspecting arboreal friend a couple of shrewd cracks with my little axe."

LEARN to FLY

or train to be an

AIRCRAFT ENGINEER

Flying Instruction can start at any time

For Prospectus apply to:—

FAR EAST FLYING TRAINING SCHOOL LTD.,

KAI TAK AIRPORT

Phone 59282

Hongkong Benevolent Society

Room - 11, Ico House Street

The Society's Room will be open on

MONDAYS & THURSDAYS

from 10 A.M. to noon

NACET

BLADES

Satisfactory shaving demands speed, comfort and a smooth result. Nacet Blades give you all three—at an amazingly low price. You will be surprised, too, at the number of shaves you will get from each blade.

MADE IN ENGLAND

FOR 3 PTD RAZORS

By Ernie Bushmiller



15, 23, Ice House Street. Tel. 26379.

